




*"What counts in life is not the mere fact that we have lived.
It is what difference we have made to the lives of others
that will determine the significance of the life we lead"*
NELSON ROHLIHLELA MANDELA
First Democratically Elected President
of the Republic of South Africa
Unveiled by President Jacob Zuma, 28 April 2014
Commemorating the 20th Anniversary of a Democratic Parliament



PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

Annual Report

2013 - 2014



PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA
ANNUAL REPORT
2013-2014

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Tel: (021) 403-2911

Fax: (021) 403-8219

E-mail: info@parliament.gov.za

Postal Address: PO Box 15, Cape Town, 8000

Physical Address: Parliament Street, Cape Town

Website: www.parliament.gov.za

Facebook: www.facebook.com/parliamentofrsa

Twitter: [follow@parliamentofRSA](https://twitter.com/follow@parliamentofRSA)

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To build an effective people's Parliament that is responsive to the needs of the people and that is driven by the ideal of realising a better quality of life for all the people of South Africa.

SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY



PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA
ANNUAL REPORT
(2013/14)

Ms B Mbete, Speaker of the National Assembly and Ms TR Modise, Chairperson of the National Council of Provinces

I have the honour of submitting the Annual Report of Parliament of the Republic of South Africa for the period of 2013/14.

Ms PN Tyawa, Acting Secretary to Parliament

30 July 2014

Date of submission

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LIST OF ABBREVIATIONS

APP	Annual Performance Plan
AV	Audio Visual
BRRR	Budget Review Recommendation Report
CLSO	Constitutional and Legal Services Office
CPA	Commonwealth Parliamentary Association
DRT	Digital Recording and Transcription
ERP	Enterprise Resource Planning
FMPA	Financial Management of Parliament Act, 2009 (Act No. 10 of 2009)
HR	Human Resources
ICT	Information and Communication Technology
ISD	Institutions Supporting Democracy
MATV	Master Aerial Television
MP	Member of Parliament
NA	National Assembly
NCOP	National Council of Provinces
PGIR	Parliamentary Group on International Relations
SABC	South African Broadcasting Corporation
SAN	Storage Area Network

1. GENERAL INFORMATION



1. GENERAL INFORMATION

1.1 Vision, Mission and Values

Our Vision:

To build an effective people's Parliament that is responsive to the needs of the people and that is driven by the ideal of realising a better quality of life for all the people of South Africa.

Our Mission:

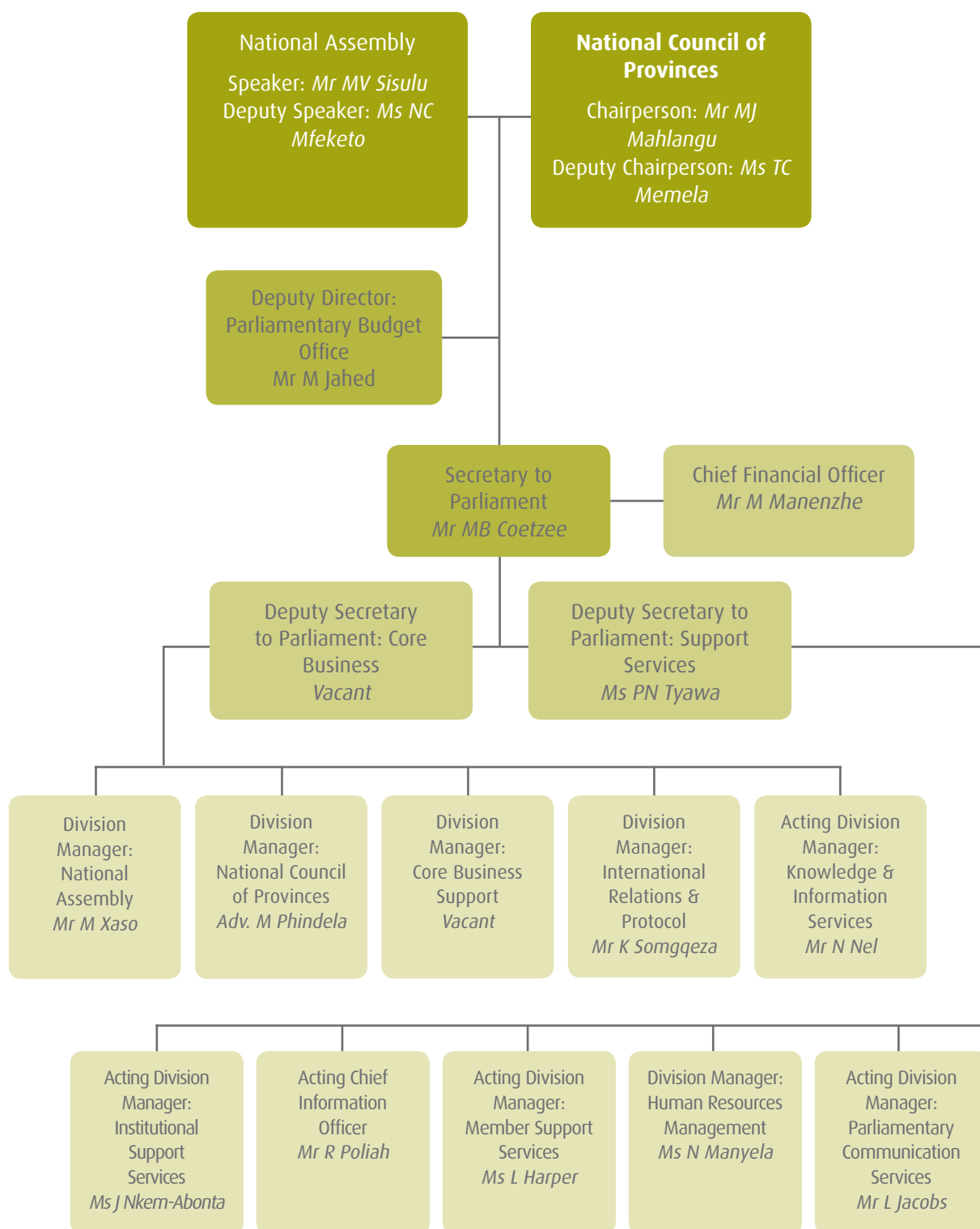
As the freely elected representatives of the people of South Africa, our mission is to represent, and act as a voice of the people, in fulfilling our constitutional functions of passing laws and overseeing executive action.

Values:

Our values are informed by that which we treasure and hold dear. Our values are the foundation that gives rise to the policies and management philosophy of Parliament, to guide the implementation of everyday services and projects. The values of Parliament are derived from the role that Parliament plays in the context of our democracy. Therefore, our values are informed by the people of South Africa, the Constitution, our co-operation and other forms of government, and our will to act with professionalism and good institutional governance. We keenly believe in the following:

- **Constitutionality:** we subscribe to social justice, fundamental human rights and the democratic values of human dignity, equality and freedom as listed in the Bill of Rights, which is a cornerstone of our democracy;
- **People-centeredness:** we respect our people, honour our integrity and are committed to service delivery;
- **Co-operative government:** we co-operate with other spheres of government; and
- **Professionalism and good institutional governance:** we are accountable and transparent, we provide value for money, we are customer-focused and we strive for the highest quality in respect of service.

1.2 Organisational Structure



1.3 Legislative and Other Mandates

Parliament is responsible for the administration of the following legislation (see Table 1 below):

Table 1: Legislative mandate of Parliament

No	Legislation/mandate	Purpose
1	Constitution of the Republic of South Africa, 1996	Chapter 4 of the Constitution stipulates how Parliament must conduct its work – its composition, functions and powers.
2	Financial Management of Parliament Act, 2009 (Act No. 10 of 2009)	To regulate the financial management of Parliament in a manner consistent with its status in terms of the Constitution; to ensure that all revenue, expenditure, assets and liabilities of Parliament are managed efficiently, effectively and transparently; to provide for the responsibilities of persons entrusted with financial management in Parliament; to provide financial management norms and standards for provincial legislatures; and to provide for matters connected therewith.
3	Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009)	To provide for a procedure to amend money Bills before Parliament and for norms and standards for amending money Bills before provincial legislatures and related matters.
4	Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act, 2004 (Act No. 4 of 2004)	To define and declare certain powers, privileges and immunities of Parliament, provincial legislatures, Members of the National Assembly, delegates to the National Council of Provinces and members of provincial legislatures; and to provide for incidental matters.

1.4 Offices Reporting to the Executive Authority

The following Offices report to the Executive Authority of Parliament (see Table 2 below):

Table 2: Offices reporting to the Executive Authority

Name of Entity	Legislation	Nature of Business
Budget Office	Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009)	To provide independent, objective and professional advice and analysis to Parliament on matters related to the Budget and other money Bills.
		To support the implementation of the Money Bills Act by undertaking research and analysis for the committees referred to in Section 4.
Office of the Institutions Supporting Democracy	National Assembly Resolution of 21 November 2008	To facilitate and co-ordinate all engagements between Parliament and the Institutions Supporting Democracy (ISD) in order to ensure meaningful engagement and support.

1.5 Executive Authority's Statement

On 27 April 1994 the first democratic Parliament was elected, representing the hopes and aspirations of all South Africans. In accordance with the newly adopted Interim Constitution, the first democratically elected Parliament of the Republic, also functioned as the Constitutional Assembly which produced a new Constitution based on democratic values, social justice and fundamental human rights. The new Parliament was itself ready to uphold the Constitution and represent the people and ensure government which is open, responsive and accountable.

Building a democratic Parliament that is transparent and responsive to the electorate, and follows a legislative agenda that is aimed at accelerating the transformation of the South African society, has been Parliament's overriding policy and strategic priority since 1994. Since the first democratic elections, significant transformation has occurred through the legislative process.

The period 1994 to 2014 saw a sustained focus on ridding the statute books of discriminatory legislation and laying the foundations for a democratic and open society, with Parliament representing the interest of the people and the provinces in the passing of over 1 200 bills.

Public participation in the processes of Parliament has been a strategic priority and vital element since 1994. The 1st and 2nd Parliaments introduced an "open" Parliament, with open plenaries and committee meetings. It adopted a rolling programme of public education and numerous initiatives aimed at improving public involvement and participation. A new language policy was adopted during the 3rd Parliament. This was introduced for the use of all official languages in Parliament as opposed to only English and Afrikaans.

The public participation platform was further extended by the introduction of several outreach and sectoral programmes, including the People's Assembly, the Taking Parliament to the People campaign, Women's Parliament, Youth Parliament and several others. The ever increasing volume of work for MPs necessitated the allocation of more resources and time for the work of Members in constituencies.

To strengthen parliamentary oversight and accountability role, the 3rd Parliament implemented a new model. Parliamentary rules were reviewed. The Money Bills Amendment Procedure and Related Matters Act, the establishment of the Parliamentary Budget Office, the establishment of a scrutiny mechanism to deal with delegated legislation and a significant increase in research and content capacity related to oversight activities, these were some of the legislative and other measures put in place to enhance Parliament's role. The result of these new processes and capacity is now evident in Parliament's budget recommendations to the Executive, thereby increasing the responsiveness and accountability of government.

The dawn of democracy also brought forward the role which Parliament plays in representing the people of South Africa in the international sphere, with an exponential growth in the demand for representation and participation in forums outside of South Africa. Since then Parliament took numerous initiatives to create structures and capacity to respond to this ever growing area. The growth and demand for international representation and participation of Parliament was accelerated by the hosting of several international conferences and meetings. Such growth will further be driven by the imminent formation of a BRICS Parliamentary Forum. The long outstanding assumption of legislative powers by the Pan-African Parliament, and the much talked about transformation of the SADC-Parliamentary Forum into a regional parliament to enhance governance in regional integration.

Great strides were made in the 4th Parliament in improving governance and financial management with the introduction of the Financial Management of Parliament Act, 2009. The Act regulates the financial management environment of Parliament, whilst an amendment Bill makes the Act also applicable to Provincial Legislatures. Amongst others, the Act assigns treasury responsibilities to the Executive Authority and requires Parliament to establish an Oversight Mechanism to strengthen accountability.

Our Parliament celebrates these and many other extraordinary achievements made in the last 20 years. The ever deepening democracy, our gains and strides made in transforming our society, and the tangible change made in the quality of life for our people, must be hailed. Our deep gratitude to our fallen comrades, leaders, activists, and thousands of anti-apartheid campaigners cannot ever be overemphasized. It is this legacy and fortitude which moves us to persist in our efforts to transform our society based on our Constitutional democratic values, social justice and fundamental human rights.

In this, the need and call from our people to enhance the pace of service delivery and transformation, is prominent in every day discussion and interaction. It is now for our freely elected representatives, our Parliament, to ensure that government is responsible and accountable. The will of the people, the electorate whose vote is at the foundation of Parliament, must be the command that informs our work in future strategic plans.



Baleka Mbete, MP
Speaker
National Assembly



TR Modise, MP
Chairperson
National Council of Provinces

1.6 Secretary's Statement

I am pleased to present to the Speaker of the National Assembly and the Chairperson of the National Council of Provinces the Annual Report of Parliament for the financial year ending 31 March 2014.

The Annual Report of Parliament, for the financial year ending 31 March 2014, marked the end of term for the 4th democratic Parliament, 2009-2014. This end of term also concluded the chapter of our first 20 years of democracy, celebrating our extraordinary achievements in laying the foundations for a democratic and open society in which government is based on the will of the people.

The original budget allocation for Parliament amounted to R1, 873,138,000 for the financial year under review and there was no additional funding provided by National Treasury through the Adjustment Budget. Parliament used its retained funds to augment any shortfall. Parliament currently has five (5) programmes to ensure alignment of the strategic objectives to the budget. The administration programme was essentially aligned to the core objectives of the institution which are:

- To pass laws (Legislation);
- To oversee and scrutinise executive action (Oversight);
- To facilitate public participation and involvement; and
- To participate in, promote and oversee co-operative government.

These core objectives are mainly funded in programmes 2 and 3. As Members of Parliament are the major stakeholders of the institution, it is important that the funding towards enabling members to discharge their duties is reflected, hence programme 4.

The budget for Parliament for the 2013/14 financial year has increased by 5.9% from the 2012/13 financial year. In addition to the above, Parliament utilised an amount of R61,000,000 of retained funds from previous years to fund the shortfall on the operations budget and additional transfers to political parties represented in Parliament due to term of the the 4th Democratic Parliament coming to an end. The transfer from retained funds and the virements were deemed necessary to enable functionaries to achieve the targets as set out in the strategic plan of the institution.

During this financial year 67 Bills were passed by Parliament, with the committees of Parliament holding 1 215 meetings, including 58 oversight visits. A total of 339 House resolutions were passed in Parliament, and communicated to the Executive and other relevant parties. Eleven (11) recommendations for statutory appointment were processed. A total of 24 international agreements were adopted during the period under review. In support of the work of Parliament, 184 legal opinions were provided, more than 17 000 claims were processed, and more than 33 000 single air journeys were booked for members.

A total of 47 outbound public education programmes were conducted, and 2 771 learners from 23 schools, in five provinces, participated in the school visits programme. The parliamentary radio programme used 18 SABC radio stations, as well as 60 community radio stations. More than 300 hours of broadcast was surpassed. A total of 412 610 education materials were distributed. A total of 18 120 people attended the plenaries of the National Assembly and the National Council of Provinces. There was a sustained increase in website traffic with the YouTube channel registering a total of 66 559 hits. A full range of multimedia production services was harnessed in support of the parliamentary communication strategy. Products including videos, motion graphics, audio podcasts, publications and branding were produced.

Finally, I am happy to report that initiatives, implemented to improve the overall financial management of Parliament, are bearing fruits. A marked improvement to this effect was made in the 2013/14 financial year. Whilst an unqualified opinion was attained, we will focus on matters of emphasis as raised by the Auditor-General in this report.



PN Tyawa
Acting Secretary to Parliament

2. INFORMATION ON PREDETERMINED OBJECTIVES



2. INFORMATION ON PREDETERMINED OBJECTIVES

2.1 Overall Performance

2.1.1 Voted Funds for Parliament

Table 3: Voted Funds

Programme	Main Appropriation R'000	Adjusted Appropriation R'000	Actual Amount Spent R'000	Over/UnderExpenditure R'000
1. Administration	414 594	409 694	461 858	(52 164)
2. Legislation & Oversight	339 690	347 450	352 262	(4,812)
3. Public & International Participation	125 113	119 913	119 985	(72)
4. Members' Facilities	211 200	211 200	208 398	2 802
5. Associated Services	328 762	331 102	333 102	(2 000)
Executive Authority	Mr MV Sisulu, Speaker of the NA and Mr MJ Mahlangu, Chairperson of the NCOP			
Accounting Officer	Mr MB Coetzee, Secretary to Parliament			

2.1.2 Aim of the Vote

To provide the support services required by Parliament to fulfill its constitutional functions, to assist political parties represented in Parliament to secure administrative support and service constituents, and to provide Members of Parliament with the necessary facilities.

2.1.3 Strategic Objectives of Parliament

Parliament identified five (5) strategic objectives for the 4th Parliament, namely:

- Strengthen the oversight function and establish a strong culture of overseeing Executive action by implementing the oversight model by 2014;
- Increase public involvement and participation and build a responsive Parliament by developing and implementing a public involvement strategy by 2014;
- Strengthen co-operative government and foster improved co-operation and relations by developing and implementing a co-operative government strategy by 2014;
- Improve and widen the role of Parliament in international co-operation and participation by developing and implementing an international participation strategy by 2014; and
- Build an effective and efficient institution by restructuring the administration in line with the functions of Parliament.

2.1.4 Overview of the Service Delivery Environment

To date Parliament can report on the following:

Publications: A special issue of *InSession* was produced together with a pamphlet, commemorating the life of the late first President of a democratic Parliament: Dr Nelson Rolihlahla Mandela. As part of the 20 Years of Democracy project, a tribute publication on the 4th Parliament was produced and distributed as a gift to all members. The range of publications produced for the conference of the Commonwealth Parliamentary Association (CPA), hosted by South Africa, include a 100-page special issue of *The Parliamentarian*, which was distributed to the members of the CPA, the book of biographies of the participants and six daily bulletins. The work of MPs during the constituency periods was also reported on, including increased coverage of the international relations arena. Over 600 internal information alerts, 168 Faranani home page updates, 69 Master Aerial Television (MATV) slide sets, and 10 internal publications in both electronic and printed editions were developed.

Media: Media plans in support of about 40 parliamentary activities were developed and implemented over the reporting period. Of note was the week-long Commonwealth Parliamentary Conference which took place in Gauteng. Special networking sessions and visits to media houses occurred before the conference as part of the strategy to maximise media coverage which resulted in, among other things, live broadcasts by SABC's 24-hour news channel (DStv Channel 404) and Channel Africa. The facilitation of 1-hour chat shows on 60 community radio stations from all nine provinces was used to engage listeners on various topics covering sectoral parliaments such as the Women's Parliament and Taking Parliament to the People programme. A total of 300 articles were written, and more than 50 media briefings were held, hundreds of media enquiries were responded to, over 768 interviews were facilitated, and 427 Media Alerts / Statements were issued.

International Relations: A comprehensive international relations and protocol strategy was developed. The strategy seeks to ensure the provision of quality and timeous support relevant to international relations and protocol service to Parliament by providing content and advisory services, policy research, administrative support, protocol and ceremonial services. Information workshops for members on international relations and protocol of Parliament were held. Content and advisory services, including policy research and administrative support, were provided to members participating in key regional organisations' conferences.

Legal Services: The Protection of State Information Bill was reconsidered and resubmitted for assent. A seminal Constitutional Court challenge was heard for the period under review and the judgment was given in favour of Parliament, with costs. Parliament achieved a 100% success rate in all matters before the CCMA. The "one-stop-shop" implemented by the Members' Services Division focused on the provision of a professional and welcoming environment where members interacted with dedicated employees. Members had easy access to all the facilities and offerings available to support them in fulfilling their duties. Since the conceptualisation in 2004, several innovations have been successfully implemented. An ever-changing member base and improvements in technology require that service within Parliament must be continually reviewed and improved in consultation with the members.

Information and Communication Technology: An ICT infrastructure upgrade was undertaken to expand and improve the existing storage area network (SAN) to fulfil the need for huge digital storage facilities. The SAN now boasts a high-performance and robust data protection as well as providing storage capacity for years to come. As the business of Parliament became more reliant on ICT, it became necessary to upgrade the National Assembly Chamber to replace its ageing technology with modern audio & IT equipment to ensure high technology performance within the Chamber. A draft institutional budget for the 2015/16 financial year was submitted to the Executive Authority, tenders were awarded within three months of the advertisement and suppliers were paid within 30 days in compliance with the FMPA.

2.1.5 Overview of the Organisational Environment

The recruitment of staff for critical senior posts was expedited and appointments were made for the posts of Deputy

Secretary: Support Services; Human Resources Executive; Chief Financial Officer; Chief Audit Executive and the Head: Security Management. Good progress was also recorded in the recruitment of employees in Legal Services, Supply Chain Management, Documentation, Information Services, Projects Office and Language Services.

A new Commercial Unit was established in the Constitutional and Legal Services Office to ensure compliance in respect of commercial matters and advice on procurement contracts. The Legislative Drafting Unit was also established. An Employment Equity and Skills Development Forum were established for consultation and information sharing with employees, and remarkable progress was made towards the achievement of employment equity targets. The Performance Management System was reviewed to ensure alignment with the reporting process, and that performance reviews are conducted on a quarterly basis. A total of 24 interns were recruited, based on requests from business areas and in line with business needs.

Training of employees during the 2013/14 financial year consisted of both short learning programmes and academic courses. A total of 150 employees enrolled for academic courses and were awarded bursaries by Parliament. Technological enhancements were made to the Marang system to improve efficiency of the recruitment process and are in the final stages of implementation. The implementation of i-Recruitment is scheduled for roll out in August 2014. As part of the institutional restructuring process, analysis of work volumes, mapping of processes, including the design of jobs was concluded for the finalisation of the micro-structure. The system for job evaluation profiling was reviewed to ensure alignment with the new structure. The following milestones were successfully achieved during this period:

- Approval of the institutional structure by the Executive Authority;
- Validation and alignment of structures, payroll per division, performance contracts and PDPs;
- Verification of job descriptions; and
- The process to align Enterprise Resource Planning (ERP) data with approved structures and finance payroll information.

2.1.6 Key Policy Developments and Legislative Changes

A policy decision was taken to prioritise the development of the Public Participation Model with the view to enhance Parliament's constitutional mandate of oversight. The Facilities for Members Handbook was reviewed on an ongoing basis during the 4th Parliament, in response to the evolving needs of members, and economic and operational requirements.

2.1.7 Parliament's Revenue, Expenditure and Transfer Payments

Collection of Revenue:

Parliament is not required to return unspent funds to the National Revenue Fund. Unspent funds are categorised as retained earnings. Other revenue, such as interest collected and catering sales, is reflected as part of retained earnings. Over the medium term, retained earnings are expected to decrease as they are committed for various strategic projects of Parliament (see Table 4 below).

Table 4: Sources of Revenue

	2010/11 Actual R'000	2011/12 Actual R'000	2012/13 Actual R'000	2013/14 Target R'000	2013/14 Actual R'000	% deviation from target R'000
Annual Appropriation	1 201 621	1 272 890	1 338 305	1419 400	1419 400	-
Statutory Appropriation	392 679	409 640	430 122	453 779	453 779	-
Departmental Receipts	7 128	14 181	13 245	9025	23 446	14 503
Interest Received	24 624	25 321	28 018	24 600	28 817	4 217
Total Receipts	1 626 052	1 722 032	1 809 690	1 906 804	1 925 442	

Expenditure Trends:

The actual expenditure for the 2013/14 financial year was R1.917bn, which represents an over expenditure of 1% or R10.8m. This overexpenditure is attributable to the Taking Parliament to the People programme which was eventually funded from Parliament's retained income. This, however, did not have any impact on service delivery or the strategic objectives of Parliament as the total appropriation for 2013/14 was spent. A comparison of the spending against voted funds for the past three financial years shows that Parliament has spent the full allocated budget with only a surplus on the direct charge against the National Revenue Fund.

Transfer Payments:

Transfer payments provided for funds that were transferred to political parties represented in Parliament, their leaders and constituency offices. Payments were transferred quarterly. For 2013/14, Parliament spent R333m in transfers to political parties.

Table 5: Transfers To Non-Profit Organisations

	2010/11 Actual R'000	2011/12 Actual R'000	2012/13 Actual R'000	2013/14 Target R'000	2013/14 Actual R'000	% deviation from target R'000
Associated Services	277 400	297 600	311 400	331 102	333 100	-1 998

2.1.8 Capital Investment, Maintenance and Asset Management Plan

Asset Management:

Assets were barcoded and captured on the asset register upon delivery in Parliament and monthly reconciliation performed between the asset register and general ledger. An annual asset count was performed to update the asset register. The current state of assets is in good condition as the stock that was in poor condition was disposed of in the previous financial year. Procurement of assets was decentralised to the individual business units.

Maintenance:

The Department of Public Works (DPW) is responsible for maintenance. Parliament has revised plans and held discussions with DPW to revisit a comprehensive maintenance plan to address space needs of Parliament. A dedicated resource has been agreed on between the Office of the Director-General of DPW and the Office of the Secretary to Parliament.

2.2 Programme Performance

This section provides performance information on programmes 1 to 5.

2.2.1 Programme 1: Administration

Purpose: Provide strategic leadership, institutional policy, overall management and administration, and corporate service to Parliament's executive, management and staff.

Strategic Objectives: Build an effective and efficient institution by restructuring the administration in line with the functions of Parliament.

Measurable Objectives: Reduce the budget request (excluding new functions & inflationary increases) by 2% per year for the next three years.

Name of sub-programme: Office of the Secretary, Corporate Services and Institutional Support						
	Performance Indicator	Baseline	Annual Target	Actual Performance	Variance	Reasons for Under/Overperformance And Mitigation Strategies
ADM 22	Nature of audit opinion for the 2012/13 financial year	Unqualified	Unqualified	Unqualified	None	Not applicable
ADM 23	% of availability of IT and audio visual systems excluding planned downtimes	n/a	99%	99.95%	0%	Not applicable
ADM24	% of availability of the website	n/a	99%	99.98%	0%	Not applicable
ADM25	% of funded posts filled	85%	95%	86%	9%	Some positions were re-advertised and some consolidated
ADM 26	Increase in rating achieved in annual employee climate survey	n/a	8%	27%	0%	Employees felt more engaged and involved as a result of improved communication through the various internal communications platforms, including meetings between management and organised labour.
ADM 27	% of information requests in terms of the Promotion of Access to Information Act responded to in line with statutory requirements	n/a	100%	100%	0%	Not applicable

Performance Trends:

Parliament maintained a technological enabling environment and enabled the public to access the website and download papers/minutes/Hansard records/podcasts and the live streaming of certain sittings. Broadcasting feeds were relayed to the national broadcaster (SABC) and other private and community broadcasters, including radio and television. During the reporting period, 158 feeds were relayed to the broadcasters, and a total of 4 981 broadcasted and non-broadcasted sittings (including meetings of the administration) were supported to ensure Audio Visual (AV) and associated systems were available to allow for uninterrupted debates/caucus/committee meetings as well as the audio and/or video recording thereof. Infrastructural and connectivity systems (network, email, internet) were 99.95% accessible and available to staff and Members of Parliament.

A total of 123 appointments were made and there were 68 terminations during this year. There are 1 365 (86%) funded posts filled and 227 vacant posts. The Employee Engagement Survey was conducted electronically and by means of questionnaires within the organisation during the period starting from April to June 2013. A total of 602 of 1 362 employees (44%) responded to the survey. This represents an increase of 6% compared to the 2012 survey which yielded a 38% response rate. The percentage of engaged employees in 2013 was 75% as compared to the level of engagement in 2012 of 48%. This represents an increase of 27% in the level of engagement of employees. In addition, the rate of disengagement in employees decreased from 52% in 2012 to 25% in 2013.

The target with regard to the increase in rating achieved in the annual employee climate survey was exceeded by 19%. The increase indicates deeper levels of engagement of employees, which contributed to an improved and efficient institution. Human Resources (HR) has developed standard performance contract templates to ensure employee engagement takes place at divisional level and plans are in place to ensure continuous improvement.

One hundred percent (4 out of 4) of information requests in terms of the Promotion of Access to Information Act were responded to in line with statutory requirements.

2.2.2 Programme 2: Legislation and Oversight

Purpose: Provide procedural and administrative services for Parliament to carry out its core functions – pass legislation and oversee executive action.

Strategic Objectives: Strengthen the oversight function and establish a strong culture of overseeing executive action by implementing the oversight model by 2014.

Measurable Objectives: Increase representation and openness by holding 100% of plenaries and committee meetings in the open except in circumstances prescribed in Sections 59 (2) and 72 (2) of the Constitution.

Name of sub-programme: NA, NCOP and LOD						
	Performance indicator	Baseline	Annual Target	Actual Performance	Variance	Reasons for under/overperformance and mitigation strategies
PARL1	Number of debates held in the NA and NCOP for each Bill introduced	n/a	One debate per Bill in NA and NCOP	83 debates in the NCOP (83 Bills introduced) 57 debates in the NA (55 Bills introduced and 67 considered)	None in the NCOP	Not applicable in the NCOP Variation is as a result of Bills only being introduced, whereas they may not be passed within the same financial year.
PARL2	% of Bills passed in relation to Bills introduced and not withdrawn in Parliament	n/a	75%	100% in the NCOP 74.5% in the NA	0% in the NCOP	Not applicable in the NCOP In the NA 67 Bills were passed and 55 were introduced during the current financial year. Due to the nature of the business, 26 out of 67 Bills were introduced in the previous financial year while 14 Bills introduced will be passed in the next financial year.
PARL3	% of questions put by Members of Parliament to the President, Deputy President and Ministers responded to by the Executive	95%	96%	95.9% NCOP 94.4% NA	0% 1.6%	Variation is as a result of questions asked not necessarily being responded to in the same financial year.
ADM 1	% of availability of official languages during plenaries	n/a	100%	55.4%	44.6%	The demand and volume of interpretation varies from time to time. Capacity is thus a problem
ADM2	% of printed transcripts of parliamentary debates (Unrevised Hansard) available within 48 hours	n/a	90%	54%	36%	The installation of the new Digital Recording and Transcription (DRT) system is being prioritised to eliminate any further disruption. The use of contracted reporters will be investigated for the new reporting year.
ADM 3	% of Bills published on the website	n/a	100%	100%	n/a	Not applicable
ADM6	% of question papers published for every question session	n/a	100%	100% in both the NA and NCOP	0%	Not applicable
ADM7	% of draft parliamentary programme submitted to the programming committee within set timeframes	n/a	100%	100% in both the NA and NCOP	0%	Not applicable
ADM 8	% of House Resolutions communicated to the Executive and other relevant parties	n/a	95%	96.5% in the NA 100% in the NCOP	0%	Political processes allowed for timelines to be adhered to and target to be exceeded.

Performance trends:

A total of 83 Bills were introduced and debated in the NCOP. All Bills introduced (83 Bills) in the NCOP were passed during the period under review. Interpretation of official languages was available during a total of 51 out of 92 (55.4%) plenaries. A total of 50 out of 92 (54%) printed transcripts of parliamentary debates (Unrevised Hansard) were available within 48 hours. All question papers, eight in the NA and seven in the NCOP were published for the respective question sessions held. All, 19 (100%) in the NA and 15 (100%) in the NCOP, draft parliamentary programmes were submitted to the programming committees within set timeframes respectively. A total of 254 (96.5%) House resolutions were passed in the NA. A total of 85 (100%) House Resolutions were communicated to the Executive and other relevant parties in the NCOP.

The Constitutional and Legal Services Office (CLSO) provided 184 written legal opinions on matters relating to, among others, Bills before committees, tender procedures/evaluation challenges, litigation and tagging of Bills. Oral advice was provided on a daily basis. With regard to ensuring compliance with commercial matters and advice on procurement contracts, a total of 118 contracts were redrafted/vetted/checked to mitigate risks for Parliament. A standard template for contracts has also been developed. A business plan for the electronic system (Legislative Drafting Software) was approved and the procurement process initiated. A legislation register used to track information on Bills processed in the 4th Parliament was developed.

Measurable Objectives: Increase representation in oversight and passing of Bills by increasing the percentage of committee meetings that form a quorum from 75% to 90% over the next five years.

Name of sub-programme: LOD						
	Performance indicator	Baseline	Annual Target	Actual Performance	Variance	Reasons for under/overperformance and mitigation strategies
PARL 4	Number of oversight visits undertaken by committees	n/a	60	58	2	Committees were prioritizing legislation and Parliament adjourned earlier than anticipated.
PARL 5	% of budget review and recommendation reports tabled	n/a	90%	100%	0%	All the Portfolio Committees conducted Budget Review and Recommendation Reports as instructed by the House Chairperson.
PARL 6	% of minutes of meetings adopted at the next meeting	n/a	100%	4.8%	95.2%	Committees could not adopt their minutes due to other urgent matters before them
PARL 7	% of timely recommendations for statutory appointments in respect of prescribed legislation	n/a	80%	100%	0%	Political processes allowed for timelines to be adhered to and target to be exceeded.
ADM 4	% of minutes of committee meetings available within three days	n/a	90%	54.3%	35.7%	The committees that convened meetings for consecutive days, particularly those that considered / processed legislation, were unable to meet the target. Mechanisms to ensure that minutes are prepared within three days have been developed.
ADM 5	% of committee reports compiled within 10 working days	n/a	95%	67%	28%	The committees that convened meetings for consecutive days, particularly those that considered / processed legislation, were unable to meet the target. Mechanisms to ensure that reports are prepared within 10 days have been developed.
ADM 9	% of statutory appointments advertised and processed for nominations from public in terms of the founding Act	100%	100%	100%	0%	Not applicable

Performance trends:

A total of 58 (4.8%) sets of minutes (out of 1 215) were adopted at the next meeting during the period under review. A total of 684 (54.3%) sets of minutes, out of 1 259 sets of minutes, were available within three days. All (100%) statutory appointments were advertised and processed accordingly during the period under review. A total of 11 (100%) statutory recommendations for statutory appointments in respect of prescribed legislation were processed.

Strategic Objectives: Strengthen co-operative government and foster improved co-operation and relations by developing and implementing a co-operative government strategy by 2014.

Measurable Objectives: Improve oversight over co-operation between the spheres of government by scrutinising strategic plans and debating budget votes relating to areas of concurrent competence over the next five years.

Name of sub-programme: NCOP						
	Performance indicator	Baseline	Annual Target	Actual Performance	Variance	Reasons for under/overperformance and mitigation strategies
ADM 18	% of scheduled meetings with provincial legislatures and Salga attended	n/a	100%	83%	17%	Only as a result of one meeting that has not taken place.

Performance trends:

A total of 5 (83%) scheduled meetings were held/attended with provincial legislatures and Salga was attended in the NCOP for the period under review.

Measurable Objectives: Improve the average time period between Section 100 & 139 interventions implementation and approval by the NCOP to 120 days over the next five years.

Name of sub-programme: NCOP						
	Performance indicator	Baseline	Annual Target	Actual Performance	Variance	Reasons for under/overperformance and mitigation strategies
PARL 11	% of Section 100 (interventions in provinces) approved or disapproved by NCOP within 180 days	n/a	85%	Not applicable	Not applicable	Not applicable
PARL 12	% of Section 139 (interventions in local government) approved or disapproved by NCOP within 180 days	n/a	85%	100%	0%	Committees reported on time, which resulted in the NCOP processing the interventions on time.
ADM17	% of interventions processed (procedural advice) within 10 days from notifications received	n/a	100%	100%	0%	Not applicable

Performance trends:

The NCOP did not receive any requests to consider intervention during the period under review. Therefore, there were no Section 100 interventions in provinces approved or disapproved by the NCOP within 180 days. A total of 9 (100%) Section 139 interventions in local government were processed by the NCOP within 180 days. A total of 12 (100%) interventions for procedural advice were processed within 10 days from notifications received.

2.2.3 Programme 3: Public and International Participation

Purpose: Carry out Parliament's role in public and international participation, and provide support for these activities.

Strategic Objectives: Increase public involvement and participation and build a responsive Parliament by developing and implementing a public involvement strategy by 2014.

Measurable Objectives: Increase access by increasing the number of platforms (sectoral parliaments) for the public to participate in parliamentary processes from two to five over the next five years.

Name of sub-programme: Public Affairs, NCOP and LOD						
	Performance indicator	Baseline	Annual Target	Actual Performance	Variance	Reasons for under/overperformance and mitigation strategies
PARL 8	Number of special parliamentary events held	4	4	13	None	The extra 9 events included events such as the Icon Project, NCOP public lecture, 59th CPC conference, State of the Nation Address, Mandela Day, 2x Taking Parliament to the People, Members Farewell and 5th Parliament Planning.
PARL 10	Number of people making submissions during Taking Parliament to the People	n/a	3 500	2 500	1 000	A number of submissions were processed and resolved prior to the event and during the event but not recorded. The target will be reviewed and all submissions processed will be recorded.
ADM 10	Number of outbound public education programmes	40	42	47	0	The number of workshops was increased per visit (per week) by travelling on a Sunday, instead of a Monday so that we could fit in an extra workshop per municipal district.
ADM 11	Number of regular and event-specific publications	25	27	31	0	The target did not include the daily bulletin for the CPC and the pamphlets on the Icon Project.
ADM 12	Broadcast time on 18 radio stations in 11 languages	288.2 hrs	300hrs	303hrs 8 min	0	Additional Outside Broadcasting was arranged for the Taking Parliament to the People programme in March, which accounted for the extra three hours.
ADM 13	Number of visitors to Parliament	50 283	52 000	34 900	17 100	The education department's transport subsidy for school excursions was withdrawn, leading to cancellation of bookings at short notice by a number of schools.
ADM14	Number of unique visitors to the website	574 650	594 000	907 501	0	New features on the website were introduced which, together with mobisites, made the website more accessible, resulting in a spike in the number of visitors.
ADM 15	% of calls for public submissions made within due dates as per referral to committees	n/a	100%	100%	0%	Not applicable

Performance trends:

The number of special parliamentary events held exceeded the target by nine for the reporting period. The theme for the 2013 Women's Parliament was "A centenary of working together towards sustainable women empowerment and gender equality" and all Women's Parliament events that took place during the 4th Democratic Parliament were reviewed. A range of initiatives such as tour programmes, guest relations, and the parliamentary art and craft exhibitions were held during the 2013 59th CPC Conference. Mechanisms to mobilise the public to attend parliamentary events such as the Icon Project, the Public Lecture by the Chairperson of the NCOP at the University of Fort Hare and Taking Parliament to the People programmes, were effective.

A total of 47 outbound education programmes were conducted in all nine provinces. A total of 2 472 participants attended the workshops representing community structures, NGOs and youth and a total of 2 771 learners from 23 schools in five provinces participated in the school visits programme. A total of 27 regular and event-specific publications were published. InSession was published for the first time as an e-newsletter over and above the print version and e-book format. The publication also included content which previously was covered by the Oversight Forum publication which is being reviewed. A total of two publications in the Parliamentary Living History Series have been published with a view to this becoming an ongoing project. The parliamentary radio programme used 18 SABC radio stations as well as 60 community radio stations. The performance target of 300 broadcast hours was surpassed. The parliamentary TV channel increased scheduling from 40 hours per week to 24 hours per day of broadcast time. A total of 412 610 educational materials were distributed.

The visitors to Parliament target of 52 000 is made up of the members of the public attending tours and sittings in Parliament, as well as the attendance at sectoral parliaments. The total number of visitors attending tours of Parliament for the year was 16 780 lower than expected. During the period under review the Education Department's transport subsidy for school excursions was withdrawn, leading to cancellation of bookings at short notice by a number of schools. A mitigation intervention is to market tours more widely using available platforms. A total of 18 120 people attended the plenaries in the NA and NCOP.

There was a sustained increase in website traffic following the introduction of the new-look website and the launch of Parliament's first mobi site, as well as the continued implementation of integrated marketing initiatives. The YouTube channel reached a total of 66 559 hits and created linkages between the various communications platforms. A full range of multimedia production services was harnessed in support of the parliamentary communication strategy. Products including videos, motion graphics, audio podcasts, publications and branding were produced. Projects included the CPC Conference branding, as well as the Icon Project Exhibition. A total of 18 (100%) adverts were published to advertise Bills and solicit public input.

Measurable Objectives: Increase average number of languages used in calls for submissions and notices for public hearings from two to six over the next five years.

Name of sub-programme: LOD						
	Performance indicator	Baseline	Annual Target	Actual Performance	Variance	Reasons for under/overperformance and mitigation strategies
PARL 9	Average number of languages used in calls for submissions and notices for public hearings	1	4	11	0	All eleven official languages were used in calls for submissions and notices for public hearings.
ADM 16	% of public hearings where interpretation of two or more languages is available	n/a	100%	100%	0%	Not applicable

Performance trends:

All (11) official languages were used to advertise 17 Bills. A total of 11 (100%) public hearings provided interpretation services in two or more languages.

Strategic Objectives: Improve and widen the role of Parliament in international co-operation and participation by developing and implementing an international participation strategy by 2014.

Measurable Objectives: Increase percentage of international agreements subjected to public participation through public debates from 23% to 80% over the next five years.

Name of sub-programme: International Relations and Protocol						
	Performance indicator	Baseline	Annual Target	Actual Performance	Variance	Reasons for under/overperformance and mitigation strategies
PARL 13	% of international agreements adopted	n/a	100%	100%	0%	Not applicable
ADM 19	% of reports on international agreements compiled within 10 working days after adoption by committees	n/a	100%	100%	0%	Not applicable
ADM 21	% international agreements in respect of which the status has been established	n/a	100%	100%	0%	Not applicable

Performance trends:

A total of 24 (100%) international agreements in respect of which the status was established were concluded for the period under review – and 10 (100%) international agreements were concluded within 10 days. A total of 23 (100 %) international agreements were adopted during the period under review.

Measurable Objectives: Increase number of international forums participated in from five to seven over the next five years.

Name of sub-programme: International Relations and Protocol						
	Performance indicator	Baseline	Annual Target	Actual Performance	Variance	Reasons for under /overperformance and mitigation strategies
ADM20	% of reports for incoming and outgoing delegations compiled within 10 working days of delegation.	n/a	100%	92%	8%	The PGIR committee meeting was delayed – held after 10 days to consider the report. The division has set up measures to strengthen scheduling and co-ordination of meetings.

Performance trends:

A total of 17 (100%) reports for incoming and outgoing delegations were compiled within 10 working days of delegation.

2.2.4 Programme 4: Members’ Facilities

Purpose: Provide telephone, travel and other facilities for Members of Parliament in the National Assembly and the National Council of Provinces

Strategic Objectives: Build an effective and efficient institution by restructuring the administration in line with the functions of Parliament.

Measurable Objectives: Process claims for payment within three working days.

Name of sub-programme: LOD						
	Performance indicator	Baseline	Annual Target	Actual Performance	Variance	Reasons for under/ overperformance and mitigation strategies
	Average days to pay	3 days	3 days	2.74 average days to pay	0	Not applicable

Performance trends:

Members' Services has achieved the measurable objective relating to the payment of reimbursive claims to Members within three working days. The "one-stop-shop" approach to service delivery provided an improved professional and conducive environment for Members to interact with dedicated employees. Facilities and offerings to effectively support Members in fulfilling their duties were made available and easily accessible. The provision of support services was continually reviewed and improved in response to the evolving needs of Members.

The demands on Members are significant and they spend many hours travelling. Members are often away from their constituencies and families and the parliamentary work is extremely demanding. It is for this reason that the facilities and support provided to Members is professionally delivered in a focused, effective and accessible manner.

2.2.5 Programme 5: Associated Services

Purpose: Provide financial support to political parties represented in Parliament, and to their leaders and constituency offices.

Strategic Objectives: Build an effective and efficient institution by restructuring the administration in line with the functions of Parliament.

Measurable Objectives: Provide financial and administrative assistance to enable political parties to perform their functions effectively and efficiently.

Performance Trends:

Funding was provided to political parties and audited.

3. ANNUAL FINANCIAL STATEMENTS



3. ANNUAL FINANCIAL STATEMENTS

3.1 Report by the Accounting Officer to the Executive Authority

1. General review of the state of affairs

Budget

The aim of the vote is:

- To provide support services required by Parliament to fulfil its constitutional functions;
- To enable representative political parties to secure administrative support and service constituents;
- To provide Members of Parliament with the facilities needed to enable them to discharge their duties in an effective and efficient manner.

The original budget allocation for Parliament amounted to R1,873,138,000 for the financial year under review and no additional funding was provided by National Treasury through the Adjustment Budget. Parliament used its retained funds to augment shortfall.

Parliament currently has five (5) programmes to ensure alignment of the strategic objectives to the budget. The five (5) programmes that the Institution adopted are listed in the table below. The administration programme was essentially aligned to the core objectives of the institution, which are:

- To pass laws (Legislation);
- To oversee and scrutinise executive action (Oversight);
- To facilitate public participation and involvement;
- To participate in, promote and oversee co-operative government;
- To engage in, participate in and oversee international relations;

These core objectives are mainly funded in programmes 2 and 3. As members of Parliament are the major stakeholders of the Institution it is important that the funding towards enabling members to discharge their duties is reflected, hence programme 4.

In terms of S 57(2) (c) of the Constitution of the Republic of South Africa, Parliament has the duty to provide financial and administrative assistance to each party represented in the Assembly, in proportion to its representation, to enable the party and its leader to perform their functions in the Assembly effectively. To this end programme 5 reflects transfers made to political parties.

Basis of Accounting

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

These financial statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with section 55 of the Financial Management of Parliament Act (Act No. 10 of 2009).

Parliament has adopted GRAP in the 2010/11 reporting period as required by Directive 5. Parliament has taken advantage of the transitional provisions of Directive 8. These provisions were available to Parliament until 30 March 2013. Parliament therefore complied with all GRAP standards for the current financial year.

The appropriation was made up as follows and is compared with the final appropriation of prior years:

Programme	2013/14 R'000	% Increase/ (Decrease)	2012/13 R'000	2011/12 R'000	2010/11 R'000
1. Administration	409,694	4.4%	392 608	368 591	346 279
2. Legislation and Oversight	347,450	10.0%	315 892	298 000	300 068
3. Public and International Participation	119,913	(4.4)%	125 426	108 900	79 429
4. Members' Facilities	211,200	9.4%	193 000	199 800	193 931
5. Associated Services	331,102	6.3%	311 379	297 599	281 914
Sub-Total	1,419,359	6.1%	1 338 305	1 272 890	1 201 621
Direct charge: National Revenue Fund - Members' Remuneration	453,779	5.5%	430 122	409 640	392 679
Total	1,873,138	5.9%	1 768 427	1 682 530	1 594 300

From the table it is evident that the budget for Parliament for the 2013/14 has increased by 5.9% from the 2012/13 financial year.

In addition to the above Parliament utilised an amount of R61,000,000 of retained funds of previous years to fund shortfall on operations budget and additional transfers to political parties represented in Parliament due to end of the 4th term of the Democratic Parliament.

The above additional funds and virements between programmes recorded after the determination of the adjusted appropriation had the following result:

Programme	Adjusted appropriation 2013/14 R'000	Retained Funds R'000	Final Appropriation 2013/14 R'000
1. Administration	409,694	59,000	468,694
2. Legislation and Oversight	347,450	-	347,450
3. Public and International Participation	119,913	-	119,913
4. Members' Facilities	211,200	-	211,200
5. Associated Services	331,102	2,000	333,102
Transfer from Retained Earnings			
Sub-Total	1,419,359	-	1,480,359
Direct Charge: National Revenue Fund	453,779	-	453,779
Total	1,873,138	-	1,934,138

The transfer from retained funds were deemed necessary to enable functionaries to achieve the targets as set out in the strategic plan of the Institution. Further detail can be obtained from the Appropriation Statement and the Notes to the Appropriation Statement as included in the Annual Financial Statements. It should further be noted that the transfers from Retained Earnings were utilised to fund shortfall on operations budget and additional transfers to political parties represented in Parliament due to end of the 4th term of the Democratic Parliament. Further clarity relating to the changes in Retained Earnings is provided under the explanation on (over) underexpenditure.

Over / Underexpenditure

By comparing the actual expenditure to the budget allocation the institution has recorded an underspend of R4,754,000 for the financial year under review.

	2013/14 R'000	2012/13 R'000	2011/12 R'000	2010/11 R'000
Spending on vote – surplus/(overspent)	4,754	37,988	49,523	16,525
Retained Earnings Approved for Spending for 2013/14				
Retained Funds approved	61,000			
Less: Spending per Appropriation Statement	(61,000)			
Available for use in future years	NIL			

Spending Trends on voted funds

	2013/14 R'000	2012/13 R'000	2011/12 R'000	2010/11 R'000
Final Appropriation	1,480,359	1,338,305	1,272,890	1,201,621
Expenditure	1,475,605	1,371,817	1,272,076	1,240,871
% Spent	99.7%	102.5%	99.9%	103.3%

Spending against the direct charge against the National Revenue Fund

	2013/14 R'000	2012/13 R'000	2011/12 R'000	2010/11 R'000
Final Appropriation	453,779	430,122	409,640	392,679
Expenditure	434,748	389,022	360,931	375,727
% Spent	95.8%	90.4%	88.1%	95.7%

2. Services rendered by the institution

The vote of Parliament comprises of five programmes, namely:

Programme 1: Administration

Provide strategic leadership, institutional policy, overall management, administration and corporate services to the executive, management and staff of Parliament.

Programme 2: Legislation and Oversight

Fulfil Parliament's legislative and oversight functions and provide auxiliary services to enable the institution to function smoothly.

Programme 3: Public and International Participation

Fulfil Parliament's public participation and international participation role and provide support to undertake such activities.

Programme 4: Members' Facilities

Provide telephone, travel and other facilities for MPs and fund medical aid contributions and travel facilities for certain former members.

Programme 5: Associated Services

Provide financial support to political parties represented in Parliament and pay membership fees to certain inter-parliamentary bodies.

Tariff policy

Tariff charged for catering is done as per agreement with the service provider to whom this service has been outsourced, and other internal services are rendered at an agreed upon rate as per the catering policy.

Free services

No free service per definition is provided by Parliament to the members or any other bodies.

3. Capacity constraints

Through constant monitoring the institution managed to spend satisfactorily and thus discharged its duties in an effective and efficient manner. To this end no major capacity constraints can be highlighted for the 2013/14 financial year.

4. Utilisation of donor funds

Donor funds received in the prior year as part of a country agreement between the Republic of South Africa and the European Union was utilised by Parliament to set up the Legislative Sector Support Structure which will assist Parliament and the nine Provincial Legislatures that are the beneficiaries through a sub-agreement for the Legislative Sector.

Parliament has recognised the full initial transfer as income in the financial statements as no conditions are attached to the agreement. As part of future transfers in terms of the agreement only the portion allocated for use by the institution will be recognised in the financial statements. The balance will be recognized as part of Retained Funds - LSPSP Retained Funds.

Funds available will be determined as per the agreement, provided the fixed and variable conditional result area targets are achieved as per the finance agreement.

5. Organisations to whom transfer payments have been made

Transfer payments have been made to political parties for the following reasons:

- Political party support: Financial support to political parties represented in Parliament;
- Constituency support: Financial support for constituency offices of political parties represented in Parliament;
- Party leadership support: Financial support to leaders of political parties represented in Parliament.

6. Corporate governance arrangements

Parliament's Audit Committee, which is chaired by an independent member, has been functioning effectively throughout the reporting period. The Accounting Officer, Internal Audit and relevant Management team members attended the meetings by invitation on a regular basis.

An Audit Steering Committee, chaired by the Auditor-General of South Africa (AGSA) and attended by the relevant Divisions of Parliament, was established this year. The terms of reference included dealing with any major concerns or issues with regard to the regulatory audit.

The Audit Task Team (ATT), which was chaired by Internal Audit, and attended by all Divisional representatives and Internal Audit, continued, as in previous years, to support the successful delivery of the

regulatory audit. The ATT dealt timeously with all requests for information from the AGSA and ensured that management responded appropriately to all communication of audit findings by the AGSA.

The Risk Management Committee met regularly throughout the year. This Committee reviewed the assessment of the major risks on a regular basis. A Risk Management Framework has been developed and Parliament is currently in the process of putting the necessary processes and procedures in place to mitigate these risks.

The Internal Audit Unit which is in the process of being fully capacitated, is functioning independently in terms of the Audit Committee Charter and in compliance with the terms of reference of the Internal Audit Charter.

7. Asset Management

Parliament manages its assets in accordance with its Fixed Asset policy as approved in July 2005 and the ERP Fixed Asset Module.

Parliament classifies assets in line with generally recognised accounting practice (GRAP) standard 17, which requires that it will be the expected economic life rather than the value which determines whether an item is an asset or not. This is in compliance with the Financial Management of Parliament Act, 2009, which requires that Parliament's Annual Financial Statements be prepared on an accrual basis of accounting using GRAP standards.

8. Events after the reporting date

Legal cases amounting to R2,570,000, as disclosed under note 45 of the financial statements, were finalised and settled between the reporting date and the date when the financial statements were authorised for issue.

9. Performance Information

Where feasible performance indicators are identified during the planning phases of the institution. Performance achievements are reported on a monthly basis.

10. Exemptions and Deviations received from the National Treasury

Parliament's migration to a recognised basis of accounting means that no exemptions/deviations were required from National Treasury this year.

11. Other

Liability for Ex-Members' Medical Aid

The actuarial valuation to determine Parliament's liabilities in respect of former Members of Parliament and Provincial Legislatures was done for the current financial year. The actuarial valuation includes information relating to both the current ex-Members as well as current serving Members who are members of the medical aid (PARMED).

The effect of disclosure of this liability in the financial statements is that Parliament currently has an accumulated deficit, but due to this being a long-term valuation there is no impact on Parliament's ability to meet its obligations as they fall due.

Further information is available in note 28.4 of the Annual Financial Statements.

Investigations into possible fruitless and wasteful and irregular expenditure

Parliament is conducting an investigation into possible fruitless and wasteful and irregular expenditure to the value of R2,806,000. Initial indications are that the proper procurement processes may not have been complied with in terms of Parliament's policies and procedures.

SCOPA resolutions

No formal SCOPA resolutions were issued to Parliament for the financial year under review.

Approval

The Annual Financial Statements as set out from pages 47 to 113 have been approved by the Accounting Officer.



PN Tyawa
Acting Secretary to Parliament

Date: 30 July 2014

3.2 Report of the Audit Committee

The Audit Committee operated within formally approved terms of reference, namely the Audit Committee Charter and is pleased to present its report in terms of the Financial Management of Parliament Act (FMPA) for the financial year ended 31 March 2014.

Audit Committee Members and Attendance

The Committee consists of the independent non-executive members and Members of Parliament (MPs) representing the Houses of Parliament, National Assembly (NA) and National Council of Provinces (NCOP). The charter states that the Committee should meet at least four (4) times a year or more frequently as the chairperson and/or committee shall deem necessary. The Committee held five (5) meetings during the year under review (Refer to the table below).

Name of Member	Designation	Number of meetings attended
Mr. C. Choeu (Chairperson)	Independent Non-Executive Member	4
Mr. D. Coovadia	Independent Non-Executive Member	5
Mr. V. Nondabula	Independent Non-Executive Member	5
Ms. N.Z. Qunta	Independent Non-Executive Member	5
Hon. T. Chaane	Member of Parliament (NCOP)	2
Hon. J.D. Thibedi	Member of Parliament (NA)	0
Hon. D. Montsitsi (replaced Hon. Thibedi since the meeting held on 26 November 2013)	Member of Parliament (NA)	0

Audit Committee Responsibility

We have performed our oversight responsibilities in respect of the Parliament of the Republic of South Africa (Parliament) independently and objectively in compliance with section 48 of the Financial Management of Parliament Act, 2009 (Act No. 10 of 2009) (FMPA). In addition, we adopted and operated within the approved Audit Committee Charter, and discharged our duties and responsibilities as contained therein as well as regulated our affairs in compliance with the charter. In line with section 48(1)(c) of the FMPA, we report as follows:

a) Assessment of the internal control environment

Based on the evaluation of internal controls by Internal Audit, management assurance and discussions with the Auditor-General South Africa (AGSA) on the results of their audits, overall, the internal controls of the institution have operated effectively during the period under review. Where weaknesses were identified in the internal control systems, improvement plans were implemented to reduce institutional exposure. While management has proactively taken action, more involvement by senior management is required to strengthen controls in the following areas:

- Institutional performance management
Internal controls were not adequately designed and implemented for performance planning, management and reporting process as evidenced by the audit findings in these areas.

- Fraud management, including anti-fraud awareness campaign and training
The institution needs to develop and implement fraud management systems, including the provision of an anti-fraud awareness campaign and training of staff in these processes and systems.
- Asset management
Control deficiencies were noted over the lack of monthly reconciliations between the asset register and the general ledger, resulting in material variances between the two records.

Management took effective steps to develop both the Risk Management Policy and the Risk Management Strategy. We look forward to monitoring the implementation of the Risk Management Policy and the Risk Management Strategy by management. The Risk Management Committee (RMC), which includes senior members of management, oversaw the risk management activities on a quarterly basis during the period under review. Its reports and minutes were presented at the Audit Committee meetings. The high-level risk assessment was conducted and this served as basis for the plans of the Internal Audit Unit.

b) Internal Audit

The Internal Audit presented its Annual Audit Plan to the Audit Committee for approval and has reported quarterly on its performance against the approved plan. We are satisfied that the Internal Audit function is improving. The Unit has operated effectively and it has addressed the risks pertinent to the institution in its audits. However, we are still concerned that while some Internal Audit posts have been filled, the vacancies that still exist in the Internal Audit structure pose a risk to the effectiveness of the Unit and its ability to deliver on its mandate. We recommend that the Secretary to Parliament should capacitate the Unit in line with section 7(c) of the FMPA.

c) The quality of in-year management and monthly/ quarterly reports submitted in terms of the FMPA

We have reviewed and we are satisfied with the content and quality of the In-year Monitoring and Management (IYM) reports submitted to the National Treasury by the Accounting Officer. We have also reviewed the quarterly institutional performance reports during the year under review. We have recommended to management to strengthen controls over institutional performance management, including performance planning, monitoring and reporting.

d) Evaluation of Annual Financial Statements and Annual Performance Report

We have reviewed the annual financial statements and we are satisfied that the gaps identified by the Internal Audit during their review were attended to. We have also reviewed the Management Report of the Auditor-General South Africa (AGSA) and are satisfied that Management has responded appropriately to the recommendations in the report. We will ensure that the Internal Audit Unit monitors the action plans that Management is putting into place to deal with the issues agreed upon. Accordingly, we can report that the systems of internal control on financial statements was satisfactory while greater management effort is required to deal with the gaps in performance information.

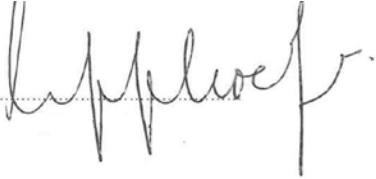
The framework for the preparation of financial statements is in accordance with Generally Recognised Accounting Practice (GRAP), and is in compliance with the FMPA. The Committee has reviewed:

- The audited Annual Financial Statements and the Annual Performance Report to be included in the Annual Report;
- The accounting policies and practices and changes thereof;
- Parliament's compliance with operational, legal and regulatory provisions; and
- Adjustments made during the audit based on the AGSA's findings and recommendations.

The outcome has been discussed and agreed with Management and the AGSA.

e) Auditor-General South Africa

We have met with the AGSA to ensure that there are no unresolved issues at the end of the audit. The AGSA has issued an unqualified audit opinion and the Committee is satisfied with the audit opinion. We would like to take this opportunity to congratulate the Executive Authority, the Accounting Officer, Management and Internal Audit Unit on the good audit results received and the AGSA on the professional manner in which the audit was conducted.



Chairperson of the Audit Committee
Date: 31 July 2014

3.3 Report of the Auditor-General to Parliament on Vote No. 2: Parliament of the Republic of South Africa

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Parliament of the Republic of South Africa set out on pages 47 to 105, which comprise the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets, the cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA standards of GRAP) and the requirements of the Financial Management of Parliament Act, 2009 (Act No. 10 of 2009) (FMPA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of Parliament of the Republic of South Africa as at 31 March 2014, and its financial performance and cash flows for the year then ended in accordance with the SA Standards of GRAP and the requirements of the FMPA.

Emphasis of matter

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Restatement of corresponding figures

8. As disclosed in notes 43 and 44 to the financial statements, the corresponding figures for the period ended 31 March 2013 have been restated as a result of errors discovered during the current year in the financial statements of the Parliament of the Republic of South Africa at, and for the year ended 31 March 2013.

Additional matter

9. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

10. The supplementary information set out in pages 106 to 113 do not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

11. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

12. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the entity for the year ended 31 March 2014:
 - Programme 1: Administration on pages 20 to 22
 - Programme 2: Legislation and oversight on pages 22 to 27
 - Programme 3: Public and international participation on pages 28 to 31
13. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
14. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the FMPA and National Treasury's annual reporting principles and whether the reported performance was consistent with the planned objectives. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information.
15. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected programmes.

Additional matters

17. Although I raised no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matters:

Achievement of planned targets

18. Refer to the annual performance report on pages 20 to 32 for information on the achievement of planned targets for the year.

Adjustment of material misstatements

19. I identified material misstatement in the annual performance report submitted for auditing on the reported performance information for administration programme. As management subsequently corrected the misstatement, I did not raise any material findings on the usefulness of the reported performance information.

Compliance with legislation

20. I performed procedures to obtain evidence that the entity had complied with applicable legislation regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

Annual financial statements

21. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 56(1) of the FMPA. Material misstatements of property, plant and equipment identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Internal control

22. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. This matter reported below is limited to the significant internal control deficiencies that resulted in the finding on non-compliance with legislation included in this report.

Financial and performance management

23. The financial statements contained several misstatements that related to property, plant and equipment. Management did not adequately review the financial statements with regard to property, plant and equipment before submission for audit. The reconciliation of the fixed asset register and the financial statements continued after the financial statements were submitted for the audit and the relevant corrections were made during the audit.

Auditor-General

Cape Town
30 July 2014



Parliament of the Republic of South Africa
STATEMENT OF FINANCIAL POSITION
as at 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
ASSETS			
Current assets			
Cash and cash equivalents	14	457 611	464 238
Receivables from exchange transactions	15	12 813	12 737
Receivables from non-exchange transactions	16	1 077	69 967
Inventories	17	621	695
Prepayments	18	3 332	6 865
VAT receivable	25	14	75
Non-current assets			
Property, plant and equipment	20	73 176	54 448
Intangible assets	21	4 982	2 021
Heritage assets	22	52 170	52 112
Total assets		605 796	663 158
LIABILITIES			
Current liabilities			
Trade and other payables from exchange transactions	23	41 033	55 345
Payables from non - exchange transactions	24	28 487	26 780
Current provisions	26	108 373	99 026
Finance leases	29	146	20
Non-current liabilities			
Employee benefits	28	1 079 503	932 153
Finance leases	29	273	15
Total liabilities		1 257 815	1 113 339
Net assets		(652 019)	(450 181)
NET ASSETS			
Accumulated deficit		(652 019)	(450 181)
Total net assets		(652 019)	(450 181)

Parliament of the Republic of South Africa
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	Restated R'000
Revenue			
Revenue from non-exchange transactions	2	1 873 138	1 768 427
Revenue from exchange transactions	3	52 345	41 603
Transfers, sponsorships and donations	4	-	69 459
Other income	5	927	298
Total revenue		1 926 410	1 879 787
Expenses			
Cost of sales	17	7 400	7 052
Compensation of employees and Members	6	1 223 333	1 105 363
Bad debts		408	268
Depreciation and amortisation expense	7	18 420	26 359
Transfers to non-profit institutions	8	333 102	311 378
Fruitless & Wasteful Expenditure	19	-	544
Donor project expenses	9	23 095	25 790
Interest paid	10	47	20
General expenses	11	474 993	443 117
Total expenses		2 080 798	1 919 891
(Loss) /gain on sale of assets	12	(2 426)	(849)
Impairment gain/(loss)	13	365	230
(Deficit) / surplus for the period		(156 449)	(40 723)

Parliament of the Republic of South Africa
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2014

	Note	Accumulated Surplus/(Deficit) R'000	Total: Net Assets R'000
Balance at 31 March 2012		(703 700)	(703 700)
(Deficit)/Surplus for the period		(40 723)	(40 723)
Statutory funds surrendered to National Treasury		(52 064)	(52 064)
Prior period adjustments (Notes 20.2, 21.2 and 22.2)		3 731	3 731
Prior period errors (Note 43)		342 574	342 574
Balance at 31 March 2013		(450 181)	(450 181)
Statutory funds surrendered to National Treasury		(48 844)	(48 844)
Other adjustments(Notes 20.1 and 22.1)		3 456	3 456
(Deficit)/Surplus for the period		(156 449)	(156 449)
Balance at 31 March 2014		(652 019)	(652 019)

Parliament of the Republic of South Africa
CASH FLOW STATEMENT
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1 994 860	1 806 298
Annual appropriation		1 419 359	1 338 305
Statutory appropriation		453 779	430 122
Departmental revenue		23 446	15 596
Interest received		28 817	22 275
Transfer, sponsorship and donations		69 459	-
Payments		1 964 822	1 823 212
Compensation of employees and Members		1 066 636	966 304
Suppliers		516 193	493 446
Interest paid		47	20
Statutory Funds surrendered to National Revenue Fund		48 844	52 064
Non-profit institutions		333 102	311 378
Net cash flows from operating activities	30	30 038	(16 913)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(32 081)	(11 866)
Purchase of intangible assets		(4 516)	(311)
Purchase of heritage assets		(39)	-
Proceeds from sale of fixed assets		139	56
Net cash flows from investing activities		(36 497)	(12 121)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of finance lease liability		(169)	(32)
Net cash flows from financing activities		(169)	(32)
Net decrease in net cash and cash equivalents		(6 628)	(29 065)
Net cash and cash equivalents at beginning of period		464 238	493 304
Net cash and cash equivalents at end of period	32	457 611	464 238

Parliament of the Republic of South Africa
STATEMENT OF COMPARISON OF BUDGET TO ACTUAL INFORMATION
for the year ended 31 March 2014

R '000	Reference	Approved budget	Final Budget	Actual Outcome prepared on a cash basis	Variance	Reference
INCOME						
Annual appropriation		1 424 359	1 424 359	1 419 359	5 000	
Statutory appropriation		453 779	453 779	453 779	-	
Departmental revenue		8 936	8 936	23 446	(14 510)	39.1
Interest received		25 000	25 000	28 817	(3 817)	39.2
Transfers, sponsorships and donations		-	-	69 459	(69 459)	39.3
		1 912 074	1 912 074	1 994 860	(82 786)	
EXPENSES						
Capital expenditure		3 982	3 982	36 636	(32 654)	39.4
Compensation of employees		653 237	653 237	656 248	(3 011)	
Compensation of Members		453 799	453 799	410 388	43 411	39.5
Suppliers		431 018	431 018	516 193	(85 175)	39.6
Interest paid		-	-	47	(47)	
Transfers to non-profit institutions		331 102	333 102	333 102	-	
		1 873 138	1 875 138	1 952 614	(77 476)	
(DEFICIT)/SURPLUS		38 936	36 936	42 246	(5 310)	

A reconciliation between the actual amounts on a comparable basis as presented in the Statement of Comparison of Budget and Actual Amounts and the actual amounts in the Statement of Cash Flows for the year ended 31 March 2014 is presented below. The financial statements and budget documents are prepared for the same period, but there is a basis difference in that the budget is prepared on a cash basis and the financial statements on the accrual basis.

	Operating	Investing	Financing	Total
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	78 882	(36 636)	-	42 246
Basis Differences	(48 844)	139	(169)	(48 874)
Statutory Funds surrendered to National Revenue Fund	(48 844)	-	-	(48 844)
Sales of assets not budgeted for	-	139	-	139
Actual Amount in the Statement of Cash Flows	30 038	(36 497)	(169)	(6 628)

Parliament of the Republic of South Africa
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
for the year ended 31 March 2014

1.1 STATEMENT OF ACCOUNTING POLICIES

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

1.1.1 Basis of preparation

The financial statements have been prepared in accordance with the standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 55 of the Financial Management of Parliament Act (Act no. 10 of 2009) and approved by the Minister of Finance as effective. The ASB has issued a directive that sets out the principles for the application of the GRAP 3 guidelines in the determination of the GRAP Reporting Framework hierarchy, as set out in the standard of GRAP 3 on Accounting Policies, Changes in Accounting Estimates and Errors.

Where a standard of GRAP is approved as effective, it replaces the equivalent statement of International Public Sector Accounting Standards Board, International Financial Reporting Standards or Generally Accepted Accounting Principles. Where a standard of GRAP has been issued, but is not yet in effect, an entity may select to apply the principles established in that standard in developing an appropriate accounting policy dealing with a particular section or event before applying paragraph 12 of the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.

In the process of applying Parliament's accounting policies, management has made the following significant accounting judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the financial statements:

1.1.2 Post-employment benefits

The cost of post-employment medical benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

1.1.3 Impairment of trade receivables

The calculation in respect of the impairment of debtors is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their credit worthiness. This was performed per service-identifiable categories across all classes of debtors.

1.1.4 Property, plant and equipment

The useful lives of assets are based on management's estimation. Management considers the impact of technology, availability of capital funding, service requirements, and required return on assets to determine the optimum useful life expectation, where appropriate.

1.1.5 Provisions and contingent liabilities

Management's judgement is required when recognising and measuring provisions, and when measuring contingent liabilities, as set out in notes 25, 27.4 and 34 respectively. Provisions are discounted where the effect of discounting is material, using actuarial valuations.

1.1.6 Offsetting

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

1.1.7 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of Parliament. Unless stated otherwise all figures are rounded to the nearest R1,000 (thousand Rand).

1.1.8 Going concern assumption

These annual financial statements have been prepared on the assumption that Parliament will continue to operate as a going concern for at least the next 12 months. The accumulated deficit arose due to the recognition of the post-retirement medical benefit for current and past Members. The recognition of this post-retirement benefit was in terms of the principles GRAP 25 - Employee Benefits.

Parliament is therefore able to meet their obligations as they fall due.

1.1.9 Comparative information

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.1.10 Hierarchy of standards used

The standards used in compiling the annual financial statements are those stipulated in Directive 5.

1.1.11 Adoption of new and revised standards

In the current year Parliament has adopted all new and revised standards and interpretations issued by the Accounting Standards Board (ASB) as set out in Annexure F of directive 5 that are relevant to its operations, and effective.

The adoption of these new and revised standards and interpretations has resulted in changes to the accounting policies.

For the current reporting period Parliament (early) adopted GRAP 20, which has been issued but not yet effective.

A number of new standards are not yet effective for the year ended 31 March 2014, and are presented below:

GRAP 18	Segment reporting
GRAP 32	Service concession arrangements: Grantor
GRAP 105	Transfer of functions between entities under common control
GRAP 106	Transfers of functions between entities not under common control
GRAP 107	Mergers
GRAP 108	Statutory receivables

All the above standards, where applicable, will be complied with in the financial statements once the effective date has been set. Preliminary investigations indicated that the impact of the standards on the financial statements will be minimal.

1.2 REVENUE

1.2.1 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to Parliament directly in return for services rendered / goods sold, the value of which approximates the fair value consideration received or receivable.

Measurement

Revenue from exchange transactions is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- Parliament has transferred to the buyer the significant risks and rewards of ownership of the goods;
- Parliament retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to Parliament; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from services rendered is recognised as and when the services are completed. If Parliament cannot reliably estimate the outcome of the transaction, revenue is recognised to the extent that expenses recognised are recoverable.

Interest

Interest revenue is recognised on a time proportion basis if it is probable that the economic benefits or service potential associated with the transaction will flow to Parliament and the amount can be measured reliably.

1.2.2 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where Parliament received revenue from another entity without directly giving approximately equal value in exchange.

The following broad categories of Revenue from non-exchange transactions are received by Parliament:

- Annual appropriation;
- Statutory appropriation; and
- Transfers, sponsorships and donations.

Recognition

Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount in the event of non-performance.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Financial Management of Parliament Act (Act No. 10 of 2009) and is recognised when the amount is recoverable and can be reliably measured.

Measurement

Revenue from non-exchange transactions is measured at the amount of the increase in net assets recognized by Parliament.

1.2.3 Transfers, sponsorships and donations

Transfers, sponsorships and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

1.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment or at fair value where assets have been acquired by grant or donation. Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the Statement of Financial Performance in the period that the impairment is identified.

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery of the assets are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally assessed standard of performance, it is regarded as repairs and maintenance, and is expensed.

Parliament maintains and acquires assets to provide a social service to the community, with no intention of disposing of the assets for any economic gain, and thus no residual values are determined other than for motor vehicles. The gain or loss arising from the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value, and is recognised in the Statement of Financial Performance.

Depreciation commences when the asset is ready for its intended use. Depreciation is calculated on the cost amount, using the straight-line method over the estimated useful lives of the assets. The annual depreciation rates are based on the following estimated average lives of assets:

Category	Estimated average useful lives
Equipment	5 to 10 years
Furniture and fittings	5 to 10 years
Computer equipment	3 to 9 years
Financed assets - cell phones & modems	2 years
Transport assets	5 to 10 years
Library books	5 years

The residual value, the useful life of an asset and the depreciation method is reviewed annually and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance. The useful life of a finance lease asset is only limited to the lease term where parliament expects to not use the asset for longer.

Parliament tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

1.4 HERITAGE ASSETS

Heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance, and are held and preserved indefinitely for the benefit of present and future generations.

Recognition

Parliament recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to Parliament, and the cost or fair value of the asset can be measured reliably.

Measurement

Heritage assets are measured at cost less accumulated impairment Where a heritage asset is acquired through a non-exchange transaction, its cost shall be measured at its fair value as at the date of acquisition.

Depreciation

Heritage assets are not depreciated, since their long economic life and high residual value means that any depreciation will be immaterial.

1.5 INTANGIBLE ASSETS

An intangible asset is an identifiable non-monetary asset without physical substance. Parliament recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic

benefits or service potential that are attributable to the asset will flow to Parliament and the cost or fair value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. Where an intangible asset is acquired by Parliament for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Intangible assets are subsequently carried at cost less accumulated amortisation. The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is subject to an annual impairment test.

Amortisation

Amortisation commences when the asset is ready for its intended use. Amortisation is charged so as to write off the cost or valuation of intangible assets over their estimated useful lives using the straight line method. The annual amortisation rates are based on the following estimated average asset lives:

Category	Years
Computer software	3 to 9 years

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

1.6 INVENTORIES

Inventories consist of raw materials, work in progress, consumables and finished goods, which are valued at the lower of cost, determined on the weighted-average basis and net realisable value. Where it is held for distribution or consumption at no charge or for a nominal amount, inventories are valued at the lower of cost and current replacement value.

Cost of inventories comprises all costs of purchase, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition. Redundant and slow-moving inventories are identified and written down to their estimated net realisable values, and are recognised as an expense in the period in which the write-down or loss occurs.

Consumables are written down according to their age, condition and utility.

1.7 FINANCIAL INSTRUMENTS

Financial instruments are recognised when Parliament becomes a party to the contractual provisions of the instrument and are initially measured at fair value plus, in the case of a financial asset or liability, not at fair value through the Statement of Financial Performance, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. The subsequent measurement of financial instruments is dealt with as follows:

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred, and Parliament has transferred substantially all risks and rewards of ownership, or when the enterprise loses control of contractual rights that comprise the assets.

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

1.7.1 Financial assets

Parliament classifies its financial assets into the following categories:

- Held-to-maturity
- Loans and receivables
- Available-for-sale
- Fair value through profit and loss.

The classification depends on the purpose for which the financial asset is acquired and is as follows:

- Held-to-maturity investments are financial assets with fixed or determinable payments and fixed maturity, where Parliament has the positive intent and ability to hold the investment to maturity. They are subsequently measured at amortised cost, using the effective interest rate method. Any adjustment is recorded in the Statement of Financial Performance in the period in which it arises.
- Loans and receivables are financial assets that are created by providing money, goods or services directly to a debtor. They are subsequently measured at amortised cost, using the effective interest rate method. Any adjustment is recorded in the Statement of Financial Performance in the period in which it arises.
- Available-for-sale financial assets are financial assets that are designated as available-for-sale, and are subsequently measured at fair value at Statement of Financial Position reporting date, except for investments in equity instruments that do not have quoted market prices in an active market, and of which fair value cannot be reliably measured, which shall be measured at cost. Any adjustment is recorded in the Statement of Changes in Net Assets in the period in which it arises. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. The fair value of financial instruments classified as available-for-sale is their quoted bid price at the Statement of Financial Position reporting date.
- Fair value through profit and loss financial assets include derivative financial instruments used by Parliament to manage its exposure to fluctuations in interest rates attached to certain of its external borrowings' interest swap agreements. Any fair value adjustment is recorded in the Statement of Financial Performance in the period in which it arises. To the extent that a derivative instrument has a maturity period of longer than a year, the fair value of these instruments will be reflected as a non-current asset or liability, and is subsequently measured at fair value at Statement of Financial Position reporting date.

An assessment is performed at each statement of financial position reporting date to determine whether objective evidence exists that a financial asset is impaired. The carrying amounts of cash investments are reduced to recognise any decline, other than a temporary decline, in the value of individual investments. This reduction in carrying value is recognised in the Statement of Financial Performance.

1.7.2 Financial liabilities

After initial recognition, Parliament measures all financial liabilities, including trade and other payables, at amortised cost, using the effective interest rate method. Financial liabilities include borrowings, other non-current liabilities (excluding provisions), and trade and other payables (excluding provisions). Interest-bearing external loans and bank overdrafts are recorded net of direct issue costs. Finance charges, including premiums payable, are accounted for on an accrual basis.

1.7.3 Trade payables and other

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

1.7.4 Trade and other receivables

Trade and other receivables are recognised initially at fair value, which approximates amortised cost less provision for impairment. An estimate is made for doubtful debt based on past default experience of all outstanding amounts at year-end. Bad debts are written off in the year in which they are identified as irrecoverable, subject to the approval of the necessary delegated authority.

Amounts receivable within 12 months from the date of reporting are classified as current.

A provision for impairment of trade receivables is established when there is objective evidence that Parliament will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

1.7.5 Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash, which are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. Parliament categorises cash and cash equivalents as financial assets, loans and receivables which are accounted for at amortised cost.

1.8 UNAUTHORISED EXPENDITURE

"The Financial Management of Parliament Act (Act no. 10 of 2009) defines unauthorised expenditure as:

- a) overspending of Parliament's approved budget or a main division within that budget;
- b) any expenditure from Parliament's approved budget or a main division within that budget for a purpose unrelated to the approved budget or main division, subject to section 22; and
- c) any expenditure of donor funds for a purpose not specified in the agreement with the donor."

Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovery is highly probable is recognised as an asset in the Statement of Financial Position and revenue in the Statement of Financial Performance.

1.9 IRREGULAR EXPENDITURE

The Financial Management of Parliament Act (Act no. 10 of 2009) defines irregular expenditure as expenditure, other than unauthorised expenditure, incurred in contravention of, or that is not in accordance with, a requirement of this Act or any other applicable legislation.

Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovery is highly probable is recognised as an asset in the Statement of Financial Position and revenue in the Statement of Financial Performance.

1.10 FRUITLESS AND WASTEFUL EXPENDITURE

The Financial Management of Parliament Act (Act no. 10 of 2009) defines fruitless and wasteful expenditure as expenditure that was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovery is highly probable is recognised as an asset in the Statement of Financial Position and revenue in the Statement of Financial Performance.

1.11 PROVISIONS

A provision is recognised when Parliament has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money. The impact of the periodic unwinding of the discount is recognised in the Statement of Financial Performance as a finance cost.

1.12 LEASES

Leases are classified as finance leases at the inception of the lease if substantially all the risks and rewards associated with ownership of an asset are transferred to Parliament. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding liabilities are initially recognised at the inception of the lease and are measured as the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest.

In discounting the lease payments, Parliament uses the interest rate that exactly discounts the lease payments and unguaranteed residual value to the fair value of the asset plus any direct costs incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant, equipment or intangibles. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to derecognition of financial instruments are applied to lease payables. The lease asset is depreciated over the shorter of the asset's useful life or the lease term.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are accrued on a straight-line basis over the term of the relevant lease.

The difference between the amounts recognised as an expense and the contractual payments are recognised as either a pre-paid expense asset or liability depending on whether the payment exceeds the expense or vice versa.

1.13 BUDGET INFORMATION

Budget information is disclosed in accordance with GRAP 24: Presentation of Budget Information in Financial Statements. Explanations for variances above 05% are provided in note 39.

1.14 EMPLOYEE BENEFITS

1.14.1 Short term employee benefits

The cost of short-term employee benefits payable within 12 months after service was rendered are recognised in the period in which service is rendered and not discounted. The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement.

“When an employee has rendered service to Parliament during a reporting period, Parliament recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, Parliament recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.”

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non accumulating absences, when the absence occurs. Parliament measures the expected cost of accumulating compensated absences as the additional amount that Parliament expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

1.14.2 Retirement benefits

Parliament provides retirement benefits for its employees and Members. The contributions to fund obligations for the payment of retirement benefits are charged against surplus or deficit in the year they become payable.

1.14.3 Defined contribution funds

Defined benefit funds which are administered on a national basis and for which specific actuarial information in respect of individual participating employers is unavailable due to centralised administration of these funds are accounted for as if it were defined contribution funds.

1.14.4 Other post employment obligations

Past service costs are determined by using the projected unit credit method. The amount recognised in the statement of financial position represents the present value of defined plan obligations. Current service costs, past service costs, the effects of changes in actuarial assumptions and the effects of plan amendments, are recognised as an expense in the current year.

1.14.5 Defined benefit funds

The related current service costs and where applicable, past service costs are determined by using the projected unit credit method. The amount recognised in the statement of financial position represents the present value of defined benefit obligations as adjusted for unrecognised actuarial gains or losses and unrecognised past service costs, and reduced by the fair value of plan assets. To the extent that there is uncertainty as to the entitlement to the surplus, no asset is recognised. Current service costs are recognised as an expense in the current year.

Past service costs, experience adjustments, the effects of changes in actuarial assumptions and the effects of plan amendments in respect of existing employees are recognised as an expense or as income

systematically over the expected average remaining working lives of those employees. The effects of plan amendments in respect of retired employees are measured at the present value of the effect of the amended benefits and are recognised as an expense or as income in the year in which the plan amendment is made.

1.14.6 Multi-employer and state plans

These plans are classified as either a defined benefit plan or a defined contribution plan. If the plan is a defined benefit plan, an actuarial valuation should be obtained. Normal defined benefit accounting would be applied to the proportionate share of the obligation and assets relating to Parliament. If actuaries are unable to provide Parliament with an actuarial valuation, Parliament accounts for the plan as if it were a defined contribution plan.

1.15 IMPAIRMENT OF ASSETS

Parliament assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, Parliament estimates the recoverable service amount of the asset.

If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset, the recoverable service amount of the non cash-generating unit to which the asset belongs is determined.

The recoverable service amount of an asset or a non cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

An impairment loss is recognised for non cash-generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit as follows:

- to the assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

Parliament assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

1.16 COMMITMENTS

Parliament disclose as commitments future capital expenditure that the entity has committed to spend on long-term assets over a period of time.

1.17 CONTINGENT LIABILITIES

Contingent liabilities are not recognised as liabilities because they are possible obligations and has yet to be confirmed whether Parliament has a present obligation that could lead to an outflow of resources embodying economic benefits or service pontetial.

1.18 RELATED PARTIES

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national spheres of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.19 PREPAYMENTS

Prepayments include costs paid relating to subsequent financial years and are measured at cost, as well as advances to Department of International Relations and Cooperation for services to be rendered during international travel for Members of Parliament and staff.

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
2 REVENUE FROM NON-EXCHANGE TRANSACTIONS		1 873 138	1 768 427
2.1 Annual appropriation received		1 419 359	1 338 305
Programmes			
Administration		414 588	392 608
Legislation and Oversight		339 690	315 892
Public and International Participation		125 096	125 426
Member's Facilities		211 194	193 000
Associated Services		328 791	311 379
<p>Voted funds are the amounts appropriated to Parliament in accordance with the final budget known as the Adjusted Estimate.</p> <p>Unexpended voted funds (except for the underspend in the Statutory Appropriation which is for the Members' remuneration) are not surrendered to the National Revenue Fund and is available to Parliament for future utilisation.</p>			
2.2 Statutory appropriation received		453 779	430 122
<p>Amount forming a direct charge on the National Revenue Fund in respect of salaries, allowances and other benefits of office-bearers and other members of the National Assembly and the National Council of Provinces - in terms of the Payment of Members of Parliament Act (Act No.6 of 1994).</p> <p>Unexpended Statutory Appropriation is surrendered to the National Revenue Funds</p>			
3 REVENUE FROM EXCHANGE TRANSACTIONS		52 345	41 603
Investment income		28 817	27 720
Interest on debt		33	-
Bad debt recoveries		103	-
Sale of goods and services		8 124	8 010
Sundry income		5 853	5 873
CPC 2013 registration fees		9 415	-

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
4 TRANSFERS, SPONSORSHIPS AND DONATIONS		-	69 459
Local and foreign aid assistance		-	69 459
European Union (EU) - Legislature support programme		-	69 459
5 OTHER INCOME		927	298
Affiliation fees		5	-
Insurance commissions		335	298
Assets previously written off recovered		587	-
6 COMPENSATION OF EMPLOYEES AND MEMBERS		1 223 333	1 105 363
6.1 Compensation of employees		624 984	545 390
Basic remuneration		564 426	494 800
Performance awards		12 959	10 205
Compensative/ circumstantial		9 379	7 073
Periodic payments		2 474	2 177
Pension		33 340	28 406
UIF		2 406	2 148
Retirement or Retrenchment Benefits		-	581
6.2 Compensation of Members		410 388	389 022
Basic remuneration		236 800	224 066
Pension		53 412	51 046
Gratuities		14 743	10 893
Other non-pensionable allowances		105 433	103 017
6.3 Benefits paid		187 961	170 951
Post-retirement medical aid contributions		40 611	37 689
Movement in long-term employee benefits		147 350	133 262
Average number of employees		1427	1345
Average number of Members		395	388

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
7 DEPRECIATION AND AMORTISATION EXPENSE		18 420	26 359
7.1 Depreciation	20	16 857	25 069
Equipment		2 881	3 877
Furniture and fittings		3 613	7 387
Computer equipment		11 108	12 284
Transport assets		-870	1 430
Library books		126	91
7.2 Amortisation			
Software	21	1 563	1 290
8 TRANSFERS TO NON-PROFIT INSTITUTIONS		333 102	311 378
Party leadership allowance		9 254	6 743
Party support allowance		80 683	74 326
Constituency allowance		243 165	230 309
<p>These payments were made to political parties represented in Parliament in terms of Section 34 of the Financial Management of Parliament Act (Act no.10 of 2009).</p>			
9 DONOR PROJECT EXPENSES		23 095	25 790
EU - Legislature Support Programme		23 095	25 790
10 INTEREST PAID		47	20
Finance leases		25	3
Interest on late payment		22	17

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
11 GENERAL EXPENSES		474 993	443 117
Advertising		31 187	28 533
Audit fees		3 538	2 583
Bank charges and card fees		150	101
Bursaries (employees)		2 991	2 426
Capital works		-	828
Commission		11	9
Communication		23 744	23 874
Computer services		12 091	6 159
Consultants, contractors and special services		41 783	48 000
Consumables		1 282	500
Courier and delivery services		862	880
Entertainment		783	611
Equipment rental		3 101	2 664
Insurance		3 406	3 826
Legal fees		3 194	7 700
Maintenance, repair and running costs		7 009	4 525
Operating leases		5 766	5 085
Personnel agency fees		3 780	4 366
Plant flowers and other decorations		2 000	2 465
Printing and publications		25 787	21 261
Professional bodies and membership fees		4 719	2 863
Protective, special clothing & uniforms		1 183	663
Resettlement costs		6 385	5 333
Training & staff development		3 632	5 122
Translations and transcriptions		750	879
Transport provided as part of the departmental activities		1 807	1 067
Travel and subsistence	11.1	251 863	242 790
Tuition Fees		-	25
Venues and facilities		32 189	17 979
11.1 Travel and subsistence		251 863	242 790
Local		231 608	201 001
Foreign		20 255	41 789

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
12 LOSS/ (GAIN) ON DISPOSAL OF ASSETS		2 426	(849)
Equipment		739	(657)
Furniture and fittings		119	(110)
Computer equipment		45	(82)
Transport assets		(31)	-
Heritage assets		1 554	-
13 (IMPAIRMENT LOSS) / REVERSAL OF IMPAIRMENT LOSS		365	230
Trade receivables			
Movement in provision for doubtful debts	16	365	230
14 CASH AND CASH EQUIVALENTS		457 611	464 238
Cash and cash equivalents consist of the following:			
Cash on hand		87	78
Cash at bank	14.1	87 535	112 818
Call deposits	14.2	369 989	351 342
Cash equivalents and short-term deposits are placed with high- credit quality financial institutions. The exposure to credit risk is the carrying amount of each class of cash and cash equivalents.			
Parliament has the following bank accounts: -			
14.1 Cash at bank		87 535	112 818
FNB Limited - Primary bank account			
Branch: Global transactional services Cape Town			
Account Number 62078790964			
Cash book balance at beginning of period		-	20
Cash book balance at end of period		-	-
Bank statement balance at beginning of period		-	20
Bank statement balance at end of period		-	-

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
Nedbank Limited - Primary bank account			
Branch: Corporate client services Cape Town			
Account Number 1452064776			
Cash book balance at beginning of period		80 280	435 848
Cash book balance at end of period		3 656	80 280
Bank statement balance at beginning of period		80 280	435 848
Bank statement balance at end of period		3 656	80 280
Nedbank Limited - Salary bank account			
Branch: Corporate client services Cape Town			
Account Number 1452064784			
Cash book balance at beginning of period		2 547	6 836
Cash book balance at end of period		166	2 547
Bank statement balance at beginning of period		2 547	6 836
Bank statement balance at end of period		166	2 547
Nedbank Limited - Petty cash bank account			
Branch: Corporate client services Cape Town			
Account Number 1452064970			
Cash book balance at beginning of period		19	10
Cash book balance at end of period		47	19
Bank statement balance at beginning of period		19	10
Bank statement balance at end of period		47	19

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
Nedbank Limited -EU account			
Branch: Corporate client services Cape Town			
Account Number 1452064903			
Cash book balance at beginning of period		29 972	50 498
Cash book balance at end of period		83 666	29 972
Bank statement balance at beginning of period		29 972	50 498
Bank statement balance at end of period		83 666	29 972
Inactive accounts:			
EU petty cash - account number 1452064938			
EU salary - account number 1452064911			
14.2 Call deposits		369 989	351 342
Call deposits do not exceed six months and are kept at the following institution:			
Nedbank Limited - Call Deposit (30 days notice at 4.8% interest)			
Branch: Corporate client services Cape Town			
Account Number 037881095598-01			
Cash book balance at beginning of period		78 766	-
Cash book balance at end of period		80 680	78 766
Bank statement balance at beginning of period		78 766	-
Bank statement balance at end of period		80 680	78 766

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
Nedbank Limited - Fixed Account (six month at 5.25%)			
Branch: Corporate client services Cape Town			
Account Number 037881095598-04			
Cash book balance at beginning of period		272 576	-
Cash book balance at end of period		289 309	272 576
Bank statement balance at beginning of period		272 576	-
Bank statement balance at end of period		289 309	272 576
15 RECEIVABLES FROM EXCHANGE TRANSACTIONS			
	Gross	Provision for	Net
	Balances	Doubtful Debts	Balance
	R'000	R'000	R'000
as at 31 March 2014			
Media	2	-	2
Government organisations	202	-	202
			-
Sub Total	204	-	204
Interest receivable accrual	8 677		
B A Rebate	3 932		
Total	12 813		

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
as at 31 March 2013			
Media	5	-	5
Government organisations	225	-	225
Sub Total	230	-	230

Receivables mainly consist of receivables of a non-trade nature and therefore standard terms do not apply. No interest was raised on long outstanding amounts during the reporting period.

Interest receivable accrual	7823	
B A Rebate	4684	
Total	12 737	

Summary of Debtors by Classification

	Gross Balances R'000	Provision for Doubtful Debts R'000	Net Balance R'000
as at 31 March 2014			
Media	2		2
Government organisations	202	-	202
Total	204	-	204

as at 31 March 2013

Media	5	-	5
Government organisations	225	-	225
Total	230	-	230

16 RECEIVABLES FROM NON - EXCHANGE TRANSACTIONS		1 077	69 967
European Union Income	-		69 459
Appropriation funds	775		-
Control accounts		79	-
Other Receivables		223	508

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
	Gross Balances R'000	Provision for Doubtful Debts R'000	Net Balance R'000
as at 31 March 2014			
Receivables from non-exchange transactions	13	-	13
Recoveries of staff expenses	863	(661)	202
Other receivables	102	(94)	8
Total	978	(755)	223

as at 31 March 2013			
Receivables from non-exchange transactions	495	(349)	146
Recoveries of staff expenses	890	(785)	105
Other receivables	345	(88)	257
Total	1 730	(1 222)	508

Summary of Debtors by Classification

	Gross Balances R'000	Provision for Doubtful Debts R'000	Net Balance R'000
as at 31 March 2014			
Political parties ¹	13	-	13
Ex-Members and employees	863	(661)	202
Other	102	(94)	8
Total	978	(755)	223

as at 31 March 2013			
Political parties ¹	495	(349)	146
Members and employees	890	(785)	105
Other	345	(88)	257
Total	1 730	(1 222)	508

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000
			Restated
<u>Reconciliation of the doubtful debt provision</u>			
Balance at beginning of the year		1 221	1 451
Contributions to provision		(365)	(230)
Reversal of provision		(101)	-
Balance at end of year		755	1 221

Trade and other receivables past due but not impaired

The ageing of amounts past due but not impaired is as follows:

90 - 180 days	-	-	
180 - 360 days	-	-	
360 days +	-	-	1

17 INVENTORIES

Catering stock

Opening balance		695	408
Additions		7 326	7 339
Cost of sales		(7 400)	(7 052)
Balance at end of year		621	695

18 PREPAYMENTS

3 332 6 865

Prepayments to Department of International Relations & Cooperation ¹		459	1 861
Prepaid expenses		2 768	4 779
Advances - short term		105	225

¹Advances to Department of International Relations and Cooperation for service to be delivered during international travel for Members of Parliament and staff.

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

	Note	2013/14	2012/13
		R'000	R'000 Restated
19 FRUITLESS AND WASTEFUL EXPENDITURE			
Fruitless and wasteful expenditure to be recovered related to the misuse of travel warrants by Members.		-	-
Total		-	-
Reconciliation of movement in fruitless and wasteful expenditure:			
Opening balance		-	544
Recovered		-	-
Written off		-	(544)
Balance at end of year		-	-

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

20.1 Reconciliation of Carrying Value	Equipment	Furniture and fittings	Computer equipment	Transport assets	Library books	Total
	R'000	R'000	R'000	R'000	R'000	R'000
as at 01 April 2013	8 072	14 766	29 178	2 321	111	54 448
Cost	23 584	38 047	68 148	7 015	29 902	166 696
Accumulated depreciation and impairment losses	(15 512)	(23 281)	(38 970)	(4 694)	(29 791)	(112 248)
Acquisitions	12 024	1 879	17 611	30	536	32 081
Adjustments to acquisitions	2 143	754	29	-	-	2 926
Depreciation	(2 881)	(3 613)	(11 108)	870	(126)	(16 857)
Reinstatement of assets (Note 42.2)	295	1 020	182	-	-	1 497
Assets subsequently recovered (Note 43.3)	122	373	93	-	-	588
Carrying value of disposals	(437)	(408)	(662)	-	-	(1 507)
Cost	(1 160)	(419)	(9 061)	-	-	(10 640)
Accumulated depreciation and impairment losses	723	11	8 399	-	-	9 133
as at 31 March 2014	19 339	14 771	35 323	3 222	521	73 176
Cost	37 092	41 810	77 002	7 046	30 438	193 388
Accumulated depreciation and impairment losses	(17 753)	(27 039)	(41 679)	(3 824)	(29 917)	(120 212)

Included in property, plant and equipment are leased assets with a carrying value of R388,843 (2013: R26,000).

A physical verification of all fixed assets has been performed by Parliament during February/March 2014 and previous reporting period. As a result, the existence and recognition of fixed assets has been confirmed.

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

20.2 Reconciliation of Carrying Value
Restated balance as at 01 April 2012

Cost
 Prior period Cost adjustments (note 43.2 and 43.5)
 Accumulated depreciation and impairment losses
 Prior period Accumulated Depreciation adjustments (note 43.4 and 4.5)
 Correction of prior period errors (Note 44.7 and 44.8)

	Equipment R'000	Furniture and fittings R'000	Computer equipment R'000	Transport assets R'000	Library books R'000	Total R'000
Restated balance as at 01 April 2012	10 082	20 710	31 147	3 744	185	65 869
Cost	23 884	36 793	60 637	7 008	29 885	158 207
Prior period Cost adjustments (note 43.2 and 43.5)	(814)	(113)	(915)			(1 841)
Accumulated depreciation and impairment losses	(16 012)	(20 765)	(40 702)	(868)	(29 700)	(108 047)
Prior period Accumulated Depreciation adjustments (note 43.4 and 4.5)	139	3 723	561	(2 609)	-	1 814
Correction of prior period errors (Note 44.7 and 44.8)	2 885	1 072	11 566	213		15 736

Reinstatement of assets
 Acquisitions
 Adjustments to acquisition
 Depreciation
 Carrying value of disposals
 Cost
 Accumulated depreciation and impairment losses

	630	266	519	-	-	1 415
Reinstatement of assets	1 842	1 129	7 458	7	17	10 453
Acquisitions	52	157	2 540	-	-	2 749
Adjustments to acquisition	(3 877)	(7 387)	(12 284)	(1 430)	(91)	(25 069)
Depreciation	(657)	(110)	(202)	-	-	(969)
Carrying value of disposals	(2 008)	(185)	(2 090)	-	-	(4 283)
Cost	1 351	75	1 888	-	-	3 314
Accumulated depreciation and impairment losses						

as at 31 March 2013

Cost
 Accumulated depreciation and impairment losses

as at 31 March 2013	8 072	14 766	29 178	2 321	111	54 448
Cost	23 584	38 047	68 148	7 015	29 902	166 696
Accumulated depreciation and impairment losses	(15 512)	(23 281)	(38 970)	(4 694)	(29 791)	(112 248)

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2014

21 INTANGIBLE ASSETS

21.1 Reconciliation of carrying value

Computer Software
R'000

as at 1 April 2013

2 021

Cost	4 746
Accumulated amortisation and impairment losses	(2 725)

Acquisitions	4 516
Amortisation	(1 563)

Carrying value of disposals	(29)
Cost	(908)
Accumulated amortisation	879

as at 31 March 2014

4 982

Cost	8 354
Accumulated amortisation and impairment losses	(3 372)

21.2 Reconciliation of carrying value

Computer Software
R'000

as at 1 April 2012

3 000

Cost	4 440
Prior period Cost adjustments (note 43.4)	1 064
Accumulated amortisation and impairment losses	(2 504)

Acquisitions	311
Amortisation	(1 290)

Carrying value of disposals	-
Cost	1 069
Accumulated amortisation	(1 069)

as at 31 March 2013

2 021

Cost	4 746
Accumulated amortisation and impairment losses	(2 725)

Parliament of the Republic of South Africa
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22 HERITAGE ASSETS

22.1 Reconciliation of carrying value

Heritage assets
R'000

as at 1 April 2013	52 112
Deemed cost	52 112
Reinstatements (Note 42.1)	1 553
Acquisitions	39
Disposals	(1 534)
 as at 31 March 2014	 52 170

22.2 Reconciliation of carrying value

Heritage assets
R'000

Restated balance as at 1 April 2012	52 131
Deemed cost	49 611
Prior period adjustments (note 43.1)	2 520
Acquisitions	-
Accessioned	19
Disposals	(38)
 as at 31 March 2013	 52 112
Carrying value of disposals	-
Cost	1 069
Accumulated amortisation	(1 069)
 as at 31 March 2013	 2 021
Cost	4 746
Accumulated amortisation and impairment losses	(2 725)

Parliament of the Republic of South Africa
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	Note	2013/14 R'000	2012/13 R'000
23 TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS			Restated
Trade creditors		3 019	3 391
Payments received in advance			611
Accruals		38 014	51 343
Employee benefits			
Total creditors		41 033	55 345
<p>The fair value of trade and other payables approximates their carrying amounts. Standard credit terms of 30 days apply.</p>			
24 PAYABLES FROM NON - EXCHANGE TRANSACTIONS		28 487	26 780
24.1 Employee benefits		22 524	26 780
Leave accrual		22 524	21 670
Negative leave entitlement		(954)	(827)
Leave entitlement		18 445	17 609
Capped leave commitments		5 033	4 888
13th cheque		3 805	3 987
Overtime		824	789
Pension Liability		-	333
UIF		-	-
Members' Gratuity		370	-
Other Payables		964	
25 VAT RECEIVABLE			
VAT (payable) / receivable		14	75

VAT payable is paid over to SARS immediately after submitting the returns and the amount is payable. VAT receivable represents refunds due to Parliament in terms of returns submitted.

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NOTES TO THE FINANCIAL STATEMENTS
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	Note	2013/14 R'000	2012/13 R'000
26	PROVISIONS	108 373	99 026
	Performance bonus	26.1 13 462	10 370
	Members' gratuities	26.2 94 911	88 656

The movement in current provisions are reconciled as follows: -

26.1 Performance Bonus

Opening balance	10 370	8 491
Contributions to provision	12 959	8 839
Expenditure incurred	(9 867)	(6 960)
Closing balance	13 462	10 370

The performance bonus provision is calculated on 2% of the budgeted compensation of employees for the year.

The value of the bonus is determined by the score out of 5 achieved by an employee at the time of the performance assessment.

The number of employees qualifying for the bonus is based on management's best estimate taking into consideration historical trends.

26.2 Members' gratuities

Opening balance	88 656	80 912
Contributions to provision	14 373	10 204
Expenditure incurred	(8 118)	(2 460)
Closing balance	94 911	88 656

This provision is calculated for all current Members of Parliament with service exceeding five years assuming termination of service at the reporting date. It is calculated as 4 months pensionable salary for every five years in service or pro-rata share of the five year period. Pensionable salary is 60% of their total gazetted remuneration package.

27 UNSPENT DONOR FUNDS AND RECEIPTS

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	Note	2013/14 R'000	2012/13 R'000
EU grant			
<p>Official Development Assistance (ODA) sector budget support programme in four tranche payments, the first two tranches equivalent to R5 million, third tranche equivalent to R7 million and the fourth tranche R3 million. Three tranche payments were received and utilised to facilitate the implementation of the sector policy and sector strategy of the South African Legislative Sector, which is composed of National Parliament and nine Provincial Legislatures.</p>			
Opening balance		-	-
Received		-	69 459
Recognised in Statement of Financial Performance		-	(69 459)
Closing balance		-	-

28 EMPLOYEE BENEFITS

28.1 The Government Employees Pension Fund (GEPF)

Retirement benefits are provided by membership of the Government Employees Pension Fund which is a defined benefit fund. Parliament's responsibility regarding the funding of the shortfall of the pension fund is limited to the current contributions made on behalf of its employees. The obligation of the fund is guaranteed by the National Revenue Fund and not by the individual government departments and entities. This responsibility is governed by the Government Employees Pension Law, Proclamation 21 of 1996.

Contributions to the GEPF for the reporting period	33 340	28 406
These contributions are included in surplus or deficit for the reporting period.		

An actuarial valuation of the GEPF is conducted at least every three years as prescribed in section 17(3) of the GEP Law. The latest actuarial valuation of the GEPF was performed on 31 March 2013. This valuation indicates that the plan is in a sound financial position. The estimated liabilities of the fund are R1,039 million which are adequately funded by assets of R1,039 million as at 31 March 2012.

28.2 The Political Office-Bearers Pension Fund (POBF)

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	Note	2013/14 R'000	2012/13 R'000
<p>The Political Office-Bearers Pension Fund has a defined contribution and a defined benefit section in terms of which the basis of funding of retirement benefits is on a defined benefit basis through additional service and equalisation benefits provided by National Treasury, and on a defined contribution basis through the utilisation of member credits accumulated. This responsibility is governed the Members of Parliament and Political Office- bearers Pension Scheme Act, 1984 (Act No. 112 of 1984) as amended in 1992. Parliament's responsibility regarding the funding of the shortfall of the pension fund is limited to the current contributions made on behalf of its employees.</p>			
Contributions to the POBF for the reporting period		53 412	51 046
<p>These contributions are included in surplus or deficit for the reporting period.</p>			

The most recent actuarial valuation of the POBF was performed in May 2013. This valuation indicates that the plan is in a sound financial position. The estimated liabilities of the fund are R3,393 billion which are adequately funded by assets of R3,482 billion as at 31 March 2012.

28.4 Post-retirement medical aid contributions

In terms of existing practice Parliament provides to contribute a maximum of 66.67% to the Parmed scheme for retired Members of Parliament. This defined benefit liability for potential post-retirement medical aid costs in respect of existing employees has been actuarially valued as at 31 March 2014.

	1 079 503	932 153
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Reconciliation of movement in liability

Opening balance	932 153	1 123 560
Current service cost	52 035	50 442
Interest cost	64 692	66 153
Benefits paid	(40 611)	-37 689
Actuarial (gain) loss	71 234	-270 313
Closing balance	1 079 503	932 153

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Principal actuarial assumptions:

Sensitivity results

The present value of obligations of Parliament was recalculated to show the effect of:

- A one percent change in the Discount rate, with all other assumptions remaining unchanged;
- A one percent change in the Health Care inflation rate, with all other assumptions remaining unchanged;
- An average retirement age of one year younger or older than the assumed average retirement age, with all other assumptions remaining unchanged.

The tables below shows the accrued liability with the altered assumptions as listed, as well as the proportional sensitivity relative to the results shown above. The reader should note that these sensitivities apply to the accrued liabilities only.

31 March 2014	Discount rate		
	Base Assumptions X%	-1.0%	+1.0%
Accrued Contributions Liability (R' million)	1,079,50	938,64	1,255,43
% change	-	-13.05%	16.30%

31 March 2014	Health Care Inflation		
	Base Assumptions X%	+1.0%	-1.0%
Accrued Contributions Liability (R' million)	1,079,50	938,64	1,255,43
% change	-	-13.05%	16.30%

31 March 2014	Average Retirement Age		
	Base Assumptions 65 years	+10%	-10%
Accrued Contributions Liability (R' million)	1,079,50	1,076,71	1,082,39
% change	-	-0.26%	0.27%

The most recent actuarial valuation of the POBF was performed in May 2013. This valuation indicates that the plan is in a sound financial position. The estimated liabilities of the fund are R3,393 billion which are adequately funded by assets of R3,482 billion as at 31 March 2012.

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31 March 2013	Discount rate		
	Base Assumptions X%	-1.0%	+1.0%
Accrued Contributions Liability (R' million)	1,242,25	1,086,71	1,435,28
% change	-	-12.52%	15.54%

31 March 2013	Health Care Inflation		
	Base Assumptions X%	+1.0%	-1.0%
Accrued Contributions Liability (R' million)	1,242,25	1,435,28	1,086,71
% change	-	15.54%	-12.52%

31 March 2013	Average Retirement Age		
	Base Assumptions 65 years	+10%	-10%
Accrued Contributions Liability (R' million)	1,242,25	1,239,38	1,245,22
% change	-	-0.23%	0.24%

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Discount rate

The following table shows a summary of the zero-coupon bond yield curve as at 31 March 2014 (annualised). The entire yield curve was applied in the PRMA valuation of Parliament.

Term Zero-coupon South African Bond yields:

Term	2013/14	2012/13
1	5.47%	4.87%
2	6.56%	5.14%
3	7.12%	5.19%
4	7.54%	5.23%
5	7.85%	5.31%
6	8.09%	5.40%
7	8.34%	5.48%
8	8.45%	5.42%
9	8.50%	5.36%
10	8.56%	5.30%
11	8.61%	5.28%
12	8.67%	5.28%
13	8.73%	5.29%
14	8.79%	5.29%
15	8.88%	5.30%
16	8.96%	5.30%
17	9.05%	5.31%
18	9.13%	5.31%
19	9.22%	5.32%
20	9.30%	5.32%
21	9.39%	5.33%
22	9.47%	5.34%
23	9.56%	5.36%
24	9.56%	5.38%
25	9.56%	5.41%
26	9.56%	5.43%
27	9.56%	5.45%
28	9.56%	5.47%
29	9.56%	5.50%
30	9.56%	5.52%

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Health care inflation curve

The following table shows a summary of the health care inflation curve as at 31 March 2014 (annualised). The entire inflation curve was applied in the PRMA valuation of Parliament. The health care inflation rate was assumed to be 0.5% lower than the valuation discount rate at each term to maturity.

	Term	2013/14	2012/13
	1	4.95%	4.35%
	2	6.03%	4.62%
	3	6.58%	4.66%
	4	7.00%	4.71%
	5	7.31%	4.79%
	6	7.55%	4.87%
	7	7.80%	4.95%
	8	7.91%	4.89%
	9	7.96%	4.84%
	10	8.02%	4.78%
	11	8.07%	4.75%
	12	8.13%	4.76%
	13	8.19%	4.76%
	14	8.25%	4.77%
	15	8.34%	4.77%
	16	8.42%	4.78%
	17	8.51%	4.78%
	18	8.59%	4.79%
	19	8.67%	4.79%
	20	8.76%	4.80%
	21	8.84%	4.81%
	22	8.93%	4.82%
	23	9.01%	4.84%
	24	9.01%	4.86%
	25	9.01%	4.88%
	26	9.01%	4.90%
	27	9.01%	4.93%
	28	9.01%	4.95%
	29	9.01%	4.97%
	30	9.01%	5.00%
Active members expected to continue after retirement		95%	95%

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Average retirement age	65 years for both males and females	65 years for both males and females
Pre-retirement mortality		
Male	SA 85-90 (aggregate)	SA 85-90 (aggregate)
Female	SA 85-90 (aggregate) with a 3 year reduction	SA 85-90 (aggregate) with a 3 year reduction
Post-retirement mortality		
Male	PA (90)M rated down with 2 years	PA (90)M rated down with 2 years
Female	PA (90)F rated down with 2 years	PA (90)F rated down with 2 years
AIDS	Not allowed for	Not allowed for
Age difference	Male spouse 3 years older than female spouse	Male spouse 3 years older than female spouse

29 FINANCE LEASES

Minimum lease payments due:

Payable within 1 year	146	23
Payable within 2 - 5 years	290	15
Less: future finance charges	(17)	(3)
Present value of lease payments due	419	35
Current	146	20
Non-current	273	15
	419	35

The average lease term is 2 years for cellphones and modems. The average effective borrowing rate is prime interest rate.

Leases have fixed monthly payments however, lease payments vary due to contingent rentals (airtime, etc). Transfer of ownership and risks takes place at the end of the lease term provided all lease payments have been made.

Parliament of the Republic of South Africa
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30 CASH GENERATED BY OPERATIONS

Surplus for the year	(156 449)	(40 723)
Adjustment for:-		
Depreciation and amortisation	18 420	26 359
Loss / (gain) on sale of assets	2 426	849
Bad debts written off	408	268
Fruitless expenditure written off	-	544
Contribution to provisions - current	9 347	9 623
Movement in employee benefits	147 350	133 262
Impairment loss (gain) - receivables	(365)	(230)
Interest earned	(28 817)	(27 720)
Interest paid	47	20
Operating surplus before working capital changes:	(7 632)	102 252
(Increase) in inventories	74	(287)
Decrease / (increase) in trade receivables	69 178	(67 500)
(Increase) / decrease in other receivables	3 533	(2 686)
Decrease in fruitless and wasteful expenditure	-	(544)
Increase / (decrease) in trade payables	(14 312)	(18 340)
Other liability	(141)	-
Non Cash income	(587)	-
Interest received	28 817	22 275
Interest paid	(47)	(20)
Statutory Funds surrendered to the National Revenue Fund	(48 844)	(52 064)
Cash generated by/(utilised in) operations	30 038	(16 914)

31 PROCEEDS FROM SALE OF FIXED ASSETS

Net book value of assets disposed	1 536	969
(Loss) / gain on sale of assets	(2 426)	(913)
Proceeds from sale of fixed assets	(890)	56

32 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise the following:

Bank balances and cash	457 611	464 238
Net cash and cash equivalents	457 611	464 238

Parliament of the Republic of South Africa
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**33 IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE
DISALLOWED**

33.1 Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure

Opening balance -	526	1 030
Fruitless and wasteful expenditure current period	22	35
Fruitless and wasteful expenditure written off	(22)	(539)
Fruitless and wasteful expenditure closing balance	526	526

Incident

Cancellation fees - under investigation	194	194
Interest on late payment	204	204
Previously reported as receivable	-	-
Unaccredited course	116	116
Traffic Fine Admin Fees	12	12
	526	526

33.2 Irregular expenditure

Reconciliation of irregular expenditure

Opening balance	3 315	998
Irregular expenditure current period	17 806	2 317
Irregular expenditure condoned	(6 860)	-
Irregular expenditure awaiting condonement	14 261	3 315

Incidents

Procurement of goods/services without prior approval	5 153
Procurement without formal contract	49
Use of standard pricing	-
SCM process not followed	429
Supporting documents not provided	194
Creda Communications - extension of contract	11 761
Local content not specified	187
Tax certificates not provided	-
No approval to deviate	33
	17 806

Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
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34 COMMITMENTS

34.1 Commitments in respect of capital expenditure

Capital Works	73 810	2 000
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34.2 Operating leases

At the reporting date Parliament has outstanding commitments under operating leases which fall due as follows:

Operating leases - lessee

Within one year	1 352	1 387
In the second to fifth year inclusive	515	1 249
Total	1 867	2 636

Operating lease payments represent rentals payable by Parliament for office equipment and rental of Parliamentary Democratic Offices. Leases of equipment are negotiated for an average term of three years and rentals are fixed for the entire lease term. Parliament still uses some leases which had expired on a month to month basis whilst still negotiating new lease agreements. These leases (expired) do not have any liability as they can be terminated anytime.

35 CONTINGENT LIABILITY

The following are pending claims in respect of staff litigation and other litigation. The certainty and timing of the outflow of these liabilities are uncertain. The amounts disclosed below are possible outflow amounts.

35.1 Staff litigation

Labour related disputes and claims instigated by former employees	680	2 300
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35.2 Other litigation

Ongoing litigation in which Parliament will possibly be liable either ex parte or as respondent in civil action.	2 275	6 230
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Parliament of the Republic of South Africa
NOTES TO THE FINANCIAL STATEMENTS
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36 REMUNERATION OF MANAGEMENT

Parliament of the Republic of South Africa is governed by The Executive Authority, comprising the Speaker (and Deputy) of the National Assembly and the Chairperson (and Deputy) of the National Council of Provinces. The Executive Authority, together with the Secretary to Parliament, Deputy Secretary to Parliament, Chief Operating Officer, Secretary to the National Council of Provinces, Secretary to the National Assembly, Chief Finance Officer and Division Managers are responsible for planning, directing, and controlling the activities of the institution. During the period, the following remuneration was paid to these members of management:

Executive Authority
 Mr M Sisulu - Speaker of the National Assembly
 Mr M J Mahlangu - Chairperson of the NCOP
 Ms N C Mfeketo - Deputy Speaker of the National Assembly
 Ms T C Memela - Deputy Chairperson of the NCOP

	2013/14			2012/13	
	Basic salary R'000	Other short-term benefits R'000	Post-employment benefits R'000	Total R'000	R'000
	1 469	656	353	2 478	2 360
	1 469	656	353	2 478	2 360
	1 041	460	234	1 735	1 652
	1 041	460	234	1 735	1 652

Senior Employees
 Mr Z A Dingani - Secretary to Parliament
 Mr M B Coetzee - (Deputy) Secretary to Parliament
 Mr T Lamani - Chief Operations Officer
 Ms B Tyawa - Deputy Secretary (Support Services)
 Adv M Phindela - Secretary to the NCOP
 Mr M Mansura - Acting Deputy Secretary to Parliament
 Mr M Xaso - (Acting) Secretary to the National Assembly
 Mr L Mondo - Chief Finance Officer
 Ms L Harper - Acting Chief Finance Officer
 Mr M Manenzhe - Chief Finance Officer

	2013/14			2012/13	
	Basic salary R'000	Bonuses and related payments R'000	Post-employment benefits R'000	Total R'000	R'000
	-	-	-	-	945
	2 274	45	226	2 546	1 767
	-	-	-	-	1 340
	1 243	-	1	1 245	-
	1 234	25	125	1 383	1 268
	-	-	-	-	2 129
	1 210	24	103	1 338	1 039
	-	-	-	-	1 191
	391	8	1	400	1 030
	802	-	1	803	-

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	2013/14			2012/13	
	Basic salary R'000	Bonuses and related payments R'000	Post-employment benefits ⁸ R'000	Total R'000	R'000
<i>Divisional Managers</i>					
Ms N Keswa - Legislation & Oversight	-	-	-	-	1 350
Mr L Klassen - Institutional Support	97	2	174	274	1 297
Mr L Jacobs - Sportsperson	1 316	26	111	1 453	1 297
Mr K Somqgeza - International Relations & Protocol	1 175	23	119	1 318	1 216
Mr S Makhasi - Office of the Chairperson	1 438	29	2	1 468	1 360
Mr S Steenkamp - Acting CAE	663	13	1	677	1 288
Adv Z Adhikarie - Legal Services	1 150	23	117	1 289	1 207
Adv N Cetywayo - Institutions Supporting Democracy	1 203	24	2	1 229	1 151
Ms S Schalk - Legislative Support Programme	1 208	24	2	1 234	1 151
Ms S Paruk - Human Resources	-	-	-	-	930
Ms M Manyela - Human Resource Executive	979	-	100	1 079	-
Ms M Shivambu - Chief Audit Executive	534	-	1	535	-

Divisional Managers

Ms N Keswa - Legislation & Oversight

Mr L Klassen - Institutional Support

Mr L Jacobs - Sportsperson

Mr K Somqgeza - International Relations & Protocol

Mr S Makhasi - Office of the Chairperson

Mr S Steenkamp - Acting CAE

Adv Z Adhikarie - Legal Services

Adv N Cetywayo - Institutions Supporting Democracy

Ms S Schalk - Legislative Support Programme

Ms S Paruk - Human Resources

Ms M Manyela - Human Resource Executive

Ms M Shivambu - Chief Audit Executive

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	2013/14	2012/13
37 RELATED PARTIES	R'000	R'000
<p>Related party relationship exists with all national government departments, trading entities, major state owned entities (Schedule 2), national government business enterprises (Schedule 3B) and national public entities (Schedule 3A) within the National Sphere of Government due to Parliament's oversight of these entities.</p> <p>Related party transactions are consistent with normal supplier and client relationship on terms and conditions no more or less favourable than those which it is reasonable to expect Parliament to have adopted if dealing with individual entity or person in the same circumstances. Transactions with these entities occurs within terms and conditions within the normal operating parameters established by Parliament.</p>		
37.1 Intergovernmental receivables	202	225
Departments	200	219
Department of Agriculture	19	-
Department of Co-operative Governance & Traditional Affairs	163	101
Department of Health	-	-
Department of Higher Education & Training	-	30
Department of International Relations & Co-operation	-	13
Department of Minerals & Energy	-	1
Department of Rural Development & Land Reform	-	1
Department of Social Development	1	-
Department of Tourism	17	-
National Treasury	-	73
Other government entities	2	6
Office of the President	2	-
Office of the President: Cabinet Section	-	6
37.2 Intergovernmental payables	1 841	4 224
Departments	1 772	4 080
Department of Health	21	40
Department of Justice	1 080	2 654
Department of Public Works	671	1 386
Department of Public Service and Administration	-	-
Other government entities	69	144
Government Motor Transport	34	61
Government Printing Works	35	83

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37.3 Services in kind

The Parliament complexes are owned by Department of Public Works (DPW). Parliament is occupying these complexes for no rental cost paid to DPW. These complexes were occupied for the entire reporting period.

38 RISK MANAGEMENT

38.1 Credit risk

Credit risk arises from the risk that a counter-party may default or not meet its obligations timeously. Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. Parliament only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables mainly comprise related parties, lowering counterparty risk.

Financial assets exposed to credit risk at year end were as follows:		457 951	464 898
First National Bank - current accounts	14.1	-	0
Nedbank - current accounts	14.1	87 535	112 818
Nedbank - investments accounts	14.2	369 989	351 342
Trade debtors	15&16	427	738

These balances represent the maximum exposure to credit risk.

38.2 Liquidity risk

Liquidity risk is the risk that Parliament will not be able to pay liabilities/payables as they fall due to be paid.

Parliament manages its liquidity risk to ensure it is able to meet estimated expenditure requirements. This is achieved through prudent liquidity risk management which includes maintaining sufficient cash and cash equivalents.

The maturity dates of Parliaments' liabilities are set out below as undiscounted cash flows:

Trade and other payables			
Payable within 1 year	23	3 019	3 391
Finance leases			
Payable within 1 year	29	146	20
Payable within 2 - 5 years	29	273	15

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38.3 Interest rate risk

Interest rate risk results from the cash flow and financial performance uncertainty arising from interest rate fluctuations.

At reporting date, financial instruments exposed to interest rate risk were as follows:

Current accounts at floating rates ¹	14.1	87 535	112 818
Call deposits at floating rates ¹	14.2	369 989	351 342

¹Call and fixed deposits invested at 4.8% and 5.25% respectively.

39 COMPARISON WITH THE BUDGET

Parliament's budget is approved on a cash basis by functional classification. The approved budget covers the fiscal period from 1 April 2013 to 31 March 2014.

The comparison of Parliament's actual financial performance with that budgeted is set out in the Statement of comparison of budget and actual amounts on pages 17 to 18.

The budget and the basis of accounting differ. The financial statements for Parliament are prepared on the accrual basis using a classification based on the nature of expenses in the statement of financial performance while the budget is approved on the cash basis.

Explanations for variances between final budget and actual outcome prepared on a cash basis

39.1 Actual receipts for revenue which mainly consists of catering has been more than projected. This has been caused by more departments appearing before Parliamentary committees and using Parliament's catering facilities.

39.2 The utilisation of Parliament's retained funds has not been as anticipated with the result that interest earned has been more than anticipated.

39.3 The variance is in respect of previous financial year's donor funds which was only received in April 2014.

39.4 Completion of capital commitments disclosed last financial (note 34) year during the current period. Parliament used retained earnings for the payments of the projects

39.5 The baseline for Members' salaries was increased after the 2009 elections due to the payment of loss of office gratuities to non returning Members, and resulted in Parliament underspending on Statutory allocation each year since then. The underspending will be surrendered to the National Revenue Fund.

39.6 Parliament has implemented various measures to improve the payment of service providers. This resulted in ensuring that almost the whole amount payable by the end of last financial year is paid and reducing the amount of current year's payables.

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	R'000	R'000	R'000
40 CHANGE IN ACCOUNTING ESTIMATES			
40.1 Extension of useful lives of assets			
Parliament reassessed the useful lives of the assets which fully depreciated during the financial year but still in use. The effect of this is as follows:			
Depreciation: Computer Equipments		-1 484	
Depreciation: Equipments		-329	
Depreciation: Furniture & Fittings		-1 638	
Acc Depreciation: Computer Equipments	1 484		
Acc Depreciation: Equipments	329		
Acc Depreciation: Furniture & Fittings	1 638		
40.2 Extension of useful lives of computer software			
Parliament reassessed the useful lives of the computer software which fully depreciated during the financial year but still in use. The effect of this is as follows:			
Depreciation: Computer Software		-42	
Acc Depreciation : Computer Software	42		
41 CHANGE IN ACCOUNTING POLICY			
Parliament changed the accounting policy for heritage assets to a cost model. The change does not have any effect on opening balances as the last valuation was done in 2008 before GRAP 102 was issued.			
42 CURRENT PERIOD ADJUSTMENTS			
42.1	During the assets count Parliament found heritage assets on the floor which could not be traced to the asset register. These heritage assets had to be reinstated as follows:		
Cost: Heritage assets	1 553		
Profit & Loss	-1 553		
42.2	During the assets count Parliament found assets on the floor which could not be traced to the asset register. These assets had to be reinstated as follows:		
Cost : Computer Equipments	295		
Cost : Equipment	182		
Cost : Furniture & Fittings	1 020		
Profit & Loss	-1 497		

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43 PRIOR PERIOD ADJUSTMENTS	R'000	Adjustment to Cost R'000	Adjustment to Acc Dep R'000
43.1 During the 2012/2013 financial year certain heritage assets were recorded in the assets register with no values. This was realised after the finalisation of the audit and the financial statements could not be amended. The prior period had therefore been adjusted as follows:			
The values of the assets have been updated as follows:			
Cost: Heritage assets	2 520		
Retained income	-2 520		
Net effect on surplus for the year ended 31 March 2013	-2 520		
43.2 During the current verification, assets were found with no values. The deememe cost for the assets were allocated as follows:			
Cost : Computer Equipments	2		
Cost : Equipment	1		
Cost : Furniture & Fittings	56		
Retained income	-60		
Net effect on surplus for the year 31 March 2013	-60	-60	
43.3 During the assets count Parliament found assets which were previously written off during the last financial year. These assets had to be reinstated as follows:			
Cost : Computer Equipments	122		
Cost : Equipment	93		
Cost : Furniture & Fittings	373		
Profit & Loss	-588		
43.4 During the reconciliation of the asset register and the general ledger it was found that adjustments were made last financial year on the asset register but not on the general ledger. The correction had to be made as follows:			
Cost : Computer Software		1 064	
Acc Depreciation : Computer Equipments			1 115
Acc Depreciation : Equipment			629
Acc Depreciation : Furniture & Fittings			3 783
Acc Depreciation : Transport Assets			-2 609
Retained income			-2 918
Net effect on surplus for the year 31 March 2013			-2 918

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43.5 Assets count disposal

Computer Equipments	-917	
Equipments	-815	
Furniture & Fittings	-169	
Retained income	1 902	-1 902
Effect on Accumulated Depreciation		
Computer Equipments		-554
Equipment		-490
Furniture & Fittings		-60
Retained income		-1 104

44 PRIOR PERIOD ERRORS

A number of prior period errors were corrected during the year ending 31 March 2013. The details of the prior period errors adjusted are reflected below:

44.1 Correction of Post-retirement medical aid contribution (Note 27.4)

The disclosure of the post-retirement medical aid contribution included liabilities for 523 Members that Parliament do not pay subsidies for them. Their subsidies are paid by different institutions such as Department of Justice and Constitutional Development for Judges.

Amount disclosed in the financial statement	1 256 822
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The correct amount after taking into account the liabilities of the 523 Members as indicated above should be as follows:

Opening balance	1 123 560
Current Service cost	50 442
Interest cost	66 153
Benefits paid	-37 689
Actarial gain	-270 313
Closing balance	932 153
<i>Net effect on surplus for the year ended 31 March 2013</i>	<i>324 669</i>

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44.2 Correction of employee benefits disclosure (Notes 6.1 and 23.1)

Parliament had a liability of R332,611.74 as at 31 March 2013 in respect of additional pension liability for former Secretary to Parliament, Mr Z A Dingani, which was not disclosed. This resulted in the disclosure for employee benefits (note 23.1) being understated by the same amount.

The correct notes should be as follows:

Employee benefits (Note 23.1)	26 780
Leave accrual	21 670
Negative leave entitlement	-827
Leave entitlement	17 609
Capped leave commitments	4 888
13th cheque	3 987
Overtime	789
Pension Liability	333
<i>Net effect on surplus for the year ended 31 March 2013</i>	-333

Employee benefits were included with trade and other payables from exchange transactions. Employees benefits are in fact non-exchange transactions and a new line on the Statement of Financial Position and a new note (number 24) were created for payables from non-exchange transaction, and had the following effect on prior period figures:

<i>Trade and other payables from exchange transactions</i>	-26 447
<i>Payables from non - exchange transactions</i>	26 447

Net effect on surplus for the year ended 31 March 2013 -

Acc Depreciation : Equipment

Acc Depreciation : Furniture & Fittings

Acc Depreciation : Transport Assets

Retained income

Net effect on surplus for the year 31 March 2013

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44.3 Correction of classification for receivables from exchange transactions

Included in receivables from exchange transactions were an amount of R508,000 in respect of receivables from political parties (R146,000), Members of Parliament and Employees (R105,000) and other receivables (R257,000) which are non exchange transactions.

The correction had the following effect on preir period figures:

<i>Receivables from exchange transactions</i>	-508
<i>Receivables from non-exchange transactions</i>	508

Net effect on surplus for the year ended 31 March 2013 -

44.4 Correction of classification for insurance premiums payments

Parliament has a personal insurance policy for all Members of Parliament and employees as well as travel and motor vehicle insurance. The amount paid for the year was classified as compensation of employees instead of goods and services

The reclassification has the following effect on prior period figures:

Compensation of employees	-3 826
General expenses	3 826

Net effect on surplus for the year ended 31 March 2013 -

44.5 Correction of other income

Interest amounting to R39,206.21 received in April 2013 was recognised twice (in March 2013 and April 2014). The March interest has therefore been reversed as follows:

Receivables from non-exchange transactions	-39
Retained income	39

Net effect on surplus for the year ended 31 March 2013 39

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44.6 Correction of invoices relating to 2012-13 financial year incorrectly recorded in the current financial year.

The following invoices relating to 2012-2013 financial year were paid and recorded during the current financial year:

R943.92 to Vision IT Computer Service for invoice number IN032444 dated the 28 March 2013.

R870.88 to Montsitsi D S for a claim for period

R4,039.70 to Billy Digital Solutions for invoice number 6013 dated the 25 March 2013

R31,350.00 to Quest Staffing Solutions for invoice number 01689845 dated the 10 June 2012.

Due to the fact that these invoices relates to previous financial year, prior period figures have been adjusted as follows:

Payables from exchange transactions	-37
Retained income	37
<i>Net effect on surplus for the year ended 31 March 2013</i>	<i>37</i>

44.7 Re-assessment of useful lives of assets with zero value

Parliament found that there were assets which were fully depreciated as at 31 March 2013 and still in use, but the useful lives of these assets were not revaluated then. The useful lives of the assets were revaluated and the accumulated depreciation reversed as follows:

Acc Depreciation : Computer Equipments	11 452
Acc Depreciation : Equipment	2 858
Acc Depreciation : Furniture & Fittings	917
Acc Depreciation : Transport Assets	213
Acc Depreciation : Software	38
Retained income	-15 478
<i>Net effect on surplus for the year ended 31 March 2013</i>	<i>-15 478</i>

44.8 Correction of depreciation charged on an incorrect period

Depreciation for assets which were placed in service during March 2013 were included with the depreciation for the 2013-2014 financial year. The error has been corrected as follows:

Acc Depreciation : Computer Equipments	114
Acc Depreciation : Equipment	27
Acc Depreciation : Furniture & Fittings	155
Retained income	-296
<i>Net effect on surplus for the year ended 31 March 2013</i>	<i>-296</i>

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44.8 Correction of additions recognised in an incorrect period

Certain assets, which were placed in service during the 2012/2013 financial year, were included with the current financial year's additions. The prior period additions were therefore corrected as follows:

Additions: Computer Equipments	2 540
Additions: Equipments	52
Additions: Furniture & Fittings	157
Payables	-2 749
Net effect on surplus for the year ended 31 March 2013	-

44.9 Correction of classification of interest revenue and receivables

During the previous financial year interest revenue and BA rebates were classified as non-exchange revenue instead of exchange revenue in terms of GRAP 9. The error has been corrected as follows:

Non exchange revenue	-27 720
Exchange revenue	27 720
Receivables from exchange transactions	12 507
Receivables from non - exchange transactions	-12 507

45 EVENTS AFTER REPORTING PERIOD

The following legal cases were settled and finalised between the reporting date and the date when the financial statements were authorised for issue, and the financial statements were amended accordingly:

Manya Group Consulting v/s Secretary to Parliament	260
Dingani v/s Parliament	1 201
DA v/s President of the Republic of South Africa and Others	1 109

APPROPRIATION STATEMENT
for the year ended 31 March 2014

Appropriation per Programme										
										2012/13
										2013/14
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
1. Administration	458 492	-	-	458 492	456 727	1 765	99.6%	419 184	421 995	
Current payment	-	-	-	-	-	-	-	-	-	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	
Payment for capital assets	5 202	-	-	5 202	5 131	71	98.6%	3 824	3 819	
Changes in retained revenue	(54 000)	-	-	(54 000)	-	-	-	(30 400)	-	
2. Legislation and Oversight	351 570	-	-	351 570	351 453	117	100.0%	315 881	315 911	
Current payment	-	-	-	-	-	-	-	-	-	
Transfers and subsidies	780	-	-	780	809	(29)	103.7%	11	11	
Payment for capital assets	(4 900)	-	-	(4 900)	-	-	-	-	-	
3. Public and International Participation	120 013	(3 000)	-	117 013	117 144	(131)	100.1%	124 991	125 123	
Current payment	-	-	-	-	-	-	0.0%	-	-	
Transfers and subsidies	-	-	-	-	-	-	94.7%	435	434	
Payment for capital assets	(100)	3 000	-	(100)	2 841	159	-	-	-	
Changes in retained revenue	(100)	-	-	(100)	-	-	-	-	-	
4. Members' Facilities	211 200	-	-	211 200	208 398	2 802	98.7%	193 000	193 146	
Current payment	-	-	-	-	-	-	-	-	-	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	
Payment for capital assets	-	-	-	-	-	-	0.0%	-	-	
5. Associated Services	333 102	-	-	333 102	333 102	-	100.0%	311 379	311 378	
Current payment	-	-	-	-	-	-	-	-	-	
Transfers and subsidies	(2 000)	-	-	(2 000)	-	-	-	-	-	
Payment for capital assets	-	-	-	-	-	-	-	-	-	
Changes in retained revenue	-	-	-	-	-	-	-	-	-	
Subtotal	1 419 359	-	-	1 419 359	1 475 605	4 754	104.0%	1 338 305	1 371 817	
Statutory Appropriation	453 779	-	-	453 779	434 748	19 031	95.8%	430 122	389 022	
Current payments	1 873 138	-	-	1 873 138	1 910 353	23 785	102.0%	1 768 427	1 760 839	
Total	-	-	-	-	-	-	-	-	-	
Reconciliation with Statement of Financial Performance										
Add:										
Departmental receipts	53 272	-	-	53 272	-	-	-	41 901	25 790	
Local and foreign aid assistance	-	-	-	-	-	-	-	69 459	133 262	
	1 936 310			1 936 310	23 095			1 879 787		
Actual amounts per Statement of Financial Performance (Total Revenue)					147 350				25 790	
Add:									133 262	
Local and foreign aid assistance										
Post-retirement medical aid contributions										
					2 080 798				1 919 891	
Actual amounts per Statement of Financial Performance Expenditure										

**APPROPRIATION STATEMENT
for the year ended 31 March 2014**

Appropriation per Economic classification									
	2013/14					2012/13			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	670 347	(22 000)	-	648 347	641 235	7 112	98.9%	587 119	583 079
Goods and services	470 928	19 000	-	489 928	492 487	(2 559)	100.5%	465 948	473 106
Foreign governments & international organisations	-	-	-	-	-	-	0.0%	-	-
Non-profit institutions	333 102	-	-	333 102	333 102	-	100.0%	311 379	311 378
Changes in retained revenue	(59 000)	-	-	(59 000)	-	-	-	-30 400	-
Payment for capital assets									
Buildings & other fixed structures	-	-	-	-	8 781	201	97.8%	4 259	4 254
Machinery & equipment	5 982	3 000	-	8 982	-	-	0.0%	-	-
Software & other intangible assets	-	-	-	-	-	-	-	-	-
Changes in retained revenue	(2 000)	-	-	(2 000)	-	-	-	-	-
Total	1 419 359	-	-	1 419 359	1 475 605	4 754	104.0%	1 338 305	1 371 817

Statutory Appropriation									
	2013/14					2012/13			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Direct charge against Provincial Revenue Fund									
List all direct charges against the Revenue Fund									
President and Deputy President salaries	453 779	-	-	453 779	434 748	19 031	95.8%	430 122	389 022
Member of executive committee/parliamentary officers	-	-	-	-	-	-	-	-	-
Total	453 779	-	-	453 779	434 748	19 031	95.8%	430 122	389 022

**APPROPRIATION STATEMENT
for the year ended 31 March 2014**

Detail per programme 1 - Administration									
Programme per subprogramme	2013/14					2012/13			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1.1 Office of the Speaker									
Current payment	38 262	-	-	38 262	31 596	6 666	82.6%	37 674	37 657
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
Payment for capital assets	-	-	-	-	-	-	0.0%	80	80
1.2 Office of the Chairperson									
Current payment	22 298	-	-	22 298	24 701	(2 403)	110.8%	21 118	21 118
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
Payment for capital assets	-	-	-	-	-	-	0.0%	64	64
1.3 Office of the Secretary									
Current payment	256 051	-	-	256 051	254 131	1 920	99.3%	225 131	227 959
Transfers and subsidies	3 100	-	-	3 100	2 631	469	84.9%	1 089	-
Payment for capital assets	(54 000)	-	-	(54 000)	-	-	-	(30 400)	1 089
1.4 Corporate Services									
Current payment	53 990	-	-	53 990	54 798	(808)	101.5%	53 075	53 075
Transfers and subsidies	1 102	-	-	1 102	1 200	(98)	108.9%	750	749
Payment for capital assets	-	-	-	-	-	-	-	-	-
1.5 Institutional Support									
Current payment	87 891	-	-	87 891	91 501	(3 610)	104.1%	82 186	82 186
Transfers and subsidies	1 000	-	-	1 000	1 300	(300)	130.0%	1 841	1 837
Payment for capital assets	-	-	-	-	-	-	-	-	-
Total	409 694	-	-	409 694	461 858	1 836	112.7%	392 608	425 814

Economic classification	2013/14					2012/13			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	315 096	-	-	315 096	309 482	5 614	98.2%	274 269	270 189
Goods and services	143 396	-	-	143 396	147 245	(3 849)	99.2%	144 915	151 805
Changes in retained revenue	(52 000)			(52 000)				-30 400	
Payments for capital assets									
Machinery & equipment	5 202	-	-	5 202	5 131	71	98.6%	3 824	3 820
Software & other intangible assets	-	-	-	-	-	-	0.0%	-	-
Changes in retained revenue	(2 000)	-	-	(2 000)	-	-	-	-	-
Total	409 694	-	-	409 694	461 858	1 836	111.4%	392 608	425 814

**APPROPRIATION STATEMENT
for the year ended 31 March 2014**

Detail per programme 2 - Legislation and Oversight									
Programme per subprogramme	2013/14					2012/13			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
2.1 National Assembly									
Current payment	25 162	-		25 162	23 675	1 487	94.1%	23 970	23 890
Transfers and subsidies				-	-	-	0.0%	-	-
Payment for capital assets	150	-		150	172	(22)	114.7%	-	-
2.2 National Council of Provinces									
Current payment	39 285	-		39 285	45 285	(6 000)	115.3%	32 693	32 842
Transfers and subsidies				-	-	-	0.0%	-	-
Payment for capital assets	150	-		150	141	9	94.0%	11	11
2.3 Legislation and Oversight									
Current payment	287 123	-		287 123	282 493	4 630	98.4%	259 218	259 179
Transfers and subsidies				-	-	-	0.0%	-	-
Payment for capital assets	480	-		480	496	(16)	103.3%	-	-
Changes in retained revenue				-	-	-		-	-
Total	347 450	-	-	347 450	352 262	88	101.4%	315 892	315 922
2013/14									
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current									
Compensation of employees	261 738	-		261 738	260 481	1 257	99.5%	227 624	227 604
Goods and services	89 832	-		89 832	90 972	(1 140)	101.3%	88 268	88 318
Changes in retained revenue	(4 900)			(4 900)					
Capital									
Machinery & equipment	780	-		780	809	(29)	103.7%	-	-
Software & other intangible assets				-	-	-		-	-
Changes in retained revenue				-	-	-		-	-
Total	347 450	-	-	347 450	352 262	88	101.4%	315 892	315 922

APPROPRIATION STATEMENT
for the year ended 31 March 2014

Detail per programme 3 - Public and International Participation											
Programme per subprogramme	2013/14						2012/13				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000
3.1 Public Affairs											
Current payment	71 714	-		71 714	71 908	(194)	100.3%	78 766	78 897	78 766	78 897
Transfers and subsidies	-	-		-	-	-	0.0%	-	-	-	-
Payment for capital assets	(100)	-		(100)	-	-	0.0%	50	50	50	50
Changes in retained revenue											
3.2 International Relations											
Current payment	48 299	(3 000)		45 299	45 236	63	99.9%	46 225	46 226	46 225	46 226
Transfers and subsidies	-	3 000		3 000	2 841	159	0.0%	-	384	-	384
Payment for capital assets	-	-		-	-	-	94.7%	385	-	385	-
Changes in retained revenue											
Total	119 913	-	-	119 913	119 985	28	100.1%	125 426	125 557	125 426	125 557
2013/14											
Economic classification	2013/14						2012/13				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000
Current											
Compensation of employees	49 113			49 113	51 476	(2 363)	104.8%	47 631	47 597	47 631	47 597
Goods and services	70 900	(3 000)		67 900	65 668	2 232	96.7%	77 360	77 526	77 360	77 526
Interest and rent on land	(100)			-	-	-		-	-	-	-
Changes in retained revenue											
Transfers & subsidies											
Foreign governments & international organisations	-			-	-	-	0.0%	-	-	-	-
Capital											
Buildings & other fixed structures	-			-	-	-		-	-	-	-
Machinery & equipment	-	3 000		3 000	2 841	159	94.7%	435	434	435	434
Software & other intangible assets	-	-		-	-	-		-	-	-	-
Changes in retained revenue											
Total	119 913	-	-	120 013	119 985	28	100.0%	125 426	125 557	125 426	125 557

**APPROPRIATION STATEMENT
for the year ended 31 March 2014**

Detail per programme 4 - Members' Facilities											
Programme per subprogramme	2013/14						2012/13				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000
4.1 National Assembly Members' Facilities	182 000	21 000		203 000	202 688	312	99.8%	172 384	172 387		
Current payment	-			-	-	-	0.0%	-	-		
Transfers and subsidies	-			-	-	-	0.0%	-	-		
Payment for capital assets	-			-	-	-	0.0%	-	-		
Changes in retained revenue											
4.2 National Council of Provinces Members' Facilities	29 200	(21 000)		8 200	5 710	2 490	69.6%	20 616	20 759		
Current payment	-			-	-	-	0.0%	-	-		
Transfers and subsidies	-			-	-	-	0.0%	-	-		
Payment for capital assets	-			-	-	-	0.0%	-	-		
Changes in retained revenue											
Total	211 200	-	-	211 200	208 398	2 802	98.7%	193 000	193 146		

Economic classification	2013/14						2012/13				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000
Current	44 400	(22 000)		22 400	19 796	2 604	88.4%	37 595	37 689		
Compensation of employees	166 800	22 000		188 800	188 602	198	99.9%	155 405	155 457		
Goods and services											
Capital											
Machinery & equipment	-			-	-	-	0.0%	-	-		
Software & other intangible assets	-			-	-	-	0.0%	-	-		
Changes in retained revenue											
Total	211 200	-	-	211 200	208 398	2 802	98.7%	193 000	193 146		

**APPROPRIATION STATEMENT
for the year ended 31 March 2014**

Detail per programme 5 - Associated Services									
Programme per subprogramme	2013/14					2012/13			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
5.1 Political Party Support	-			-		-	0.0%	-	
Current payment	80 488			80 488	80 683	(195)	100.2%	74 326	74 326
Transfers and subsidies							0.0%		
Payment for capital assets	(2 000)			(2 000)					
Changes in retained revenue									
5.2 Constituency Support	243 207			243 207	243 165	42	100.0%	230 309	230 309
Current payment							0.0%		
Transfers and subsidies							0.0%		
Payment for capital assets							0.0%		
5.3 Party Leadership Support	9 407			9 407	9 254	153	98.4%	6 744	6 743
Current payment							0.0%		
Transfers and subsidies							0.0%		
Payment for capital assets							0.0%		
Total	331 102	-	-	331 102	333 102	-	100.6%	311 379	311 378

Economic classification	2013/14					2012/13			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Transfers & subsidies	333 102			333 102	333 102	-	100.0%	311 379	311 378
Non-profit institutions	(2 000)			(2 000)					
Changes in retained revenue									
Total	331 102	-	-	331 102	333 102	-	100.6%	311 379	311 378

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2014

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):
 Detail of these transactions can be viewed in note 8 (Transfers and subsidies)
2. Detail of specifically and exclusively appropriated amounts voted (after Virement):
 Detail of these transactions can be viewed in note 2 (Annual Appropriation) to the annual financial statements.
3. Detail on financial transactions in assets and liabilities
4. Explanations of material variances from Amounts Voted (after virement):
 - 4.1 Per programme:

	Voted Funds after virement R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Approp. %
Administration	463 694	461 858	1 836	1%
Legislation and Oversight	352 350	352 262	88	0%
Public and International Participation	120 013	119 985	28	0%
Members' Facilities	211 200	208 398	2 802	1%
Associated Services	333 102	333 102	-	0%
4.2 Per economic classification:				R'000
Current expenditure				9 553
Transfers and subsidies				
Departmental agencies and accounts				-
Foreign governments and international organisations				-
Non-profit institutions				-
Payments for capital assets				
Machinery and equipment				201

4. HUMAN RESOURCE MANAGEMENT



4. HUMAN RESOURCE MANAGEMENT

4.1 Personnel-Related Expenditure

Table 4.1.1: Personnel costs by programme

PROGRAMME	Total Expenditure R'000	Personnel Expenditure R'000	Training Expenditure R'000	Personnel Cost as a % of Total Expenditure	Total Employees	Average Personnel Cost per Employee R'000
Administration	313,408	309,482	3,926	98,75%	709	442
Legislation & Oversight	262,851	260,481	2,370	99,10%	593	445
Members Facilities	3,545	3,545	n/a	100%	15	236
Public & International Participation	52,311	51,476	835	98,54 %	110	476
Associated Services	n/a	R0.00	n/a	n/a	0	R 0.00
Grand Total	632,115	624,984	7,131		1427	

Table 4.1.2: Personnel costs by salary bands

SALARY BAND	Personnel Expenditure R'000	% of Total Personnel Cost	Total Employee R'000	Average Personnel Cost Per Employee R,000
Lower Skilled (Level A)	32,078	5,13%	147	218
Skilled (Level B)	72,066	11,53%	294	245
Highly Skilled Production (Level C)	323,004	51,68%	763	423
Highly Skilled Supervision (Level D)	177,365	28,38%	206	861
Senior Management (Level E)	16,927	2,71%	15	1,128
Top Management (Level F)	3,544	0,57%	2	1,772
Grand Total	624,984	100%	1427	

Table 4.1.3: Salaries and overtime by programme

PROGRAMME	SALARIES		OVERTIME	
	Amount R'000	Salaries as a % of Personnel Expenditure	Amount R'000	Overtime as a % of Personnel Expenditure
Administration	303,128	48,50%	6,354	1,03%
Legislation & Oversight	258,639	41,39%	1,842	0,30%
Public & International Participation	50,620	8,05%	856	0,15%
Members Facilities	3,511	0,56%	34	0,02%
Associated Services	R0.00	0%	R0.00	0%
Total	615,898	98,50%	9,086	1,50%

Table 4.1.4: Salaries and overtime by salary bands

SALARY BAND	SALARIES		OVERTIME	
	Amount R'000	Salaries as a % of Personnel Expenditure	Amount R'000	Overtime as a % of Personnel Expenditure
Lower Skilled (Level A)	30,557	4,89%	1,521	0,24%
Skilled (Level B)	67,377	10,78%	4,689	0,75%
Highly Skilled Production (Level C)	320,128	51,22%	2,876	0,46%
Highly Skilled Supervision (Level D)	177,365	28,38%	0	0%
Senior Management (Level E)	16,927	2,71%	0	0%
Top Management (Level F)	3,544	0,57%	0	0%
TOTAL	615,898	98,55%	9,086	1,45%

4.2 Employment and Vacancies

Table 4.2.1: Employment and vacancies by programme

Programme	Number of Posts	Number of Posts Filled	Active Vacant	Vacancy Rate
Administration	810	677	133	16%
Legislation & Oversight	638	571	67	11%
Members Facilities	15	14	1	7%
Public & International Participation	128	103	25	20%
Associated Services	0	0	0	0%
Grand Total	1591	1365	226	14%

Table 4.2.2: Employment and vacancies by salary bands

Salary Band	Number of Posts	Number of Posts Filled	Active Vacant	Vacancy Rate
Highly Skilled Production (Level C)	810	728	82	10.1%
Highly Skilled Supervision (Level D)	258	196	62	24.0%
Lower Skilled (Level A)	152	142	10	6.5%
Senior Management (Level E)	23	12	11	47.8%
Skilled (Level B)	345	285	60	17.3%
Top Management (Level F)	3	2	1	33.3%
Grand Total	1591	1365	226	14.2%

4.3 Job Evaluation

Table 4.3.1: Profiles of employees whose salary positions were upgraded due to their posts being upgraded

Beneficiaries	African	Coloured	White	Grand Total
Female	1	0	1	2
Male	4	3	0	7
Grand Total	5	3	1	9
Employees with Disabilities	0	0	0	0

4.4 Employment Changes

Table 4.4.1: Annual turnover rates by salary band for the period

Salary Band	Number of Employees Per Band As On 1 Apr 2013	Appointments	Terminations	Turnover Rate
Lower Skilled (Level A)	150	0	5	0.36%
Skilled (Level B)	281	26	11	0.80%
Highly Skilled Production (Level C)	729	27	37	2.71%
Highly Skilled Supervision (Level D)	193	17	11	0.80%
Senior Management (Level E)	11	4	4	0.29%
Top Management (Level F)	1	1	0	0.00%
Grand Total	1365	75	68	4.98%

Table 4.4.2: Reasons why employees left Parliament for the period

Termination Type	Number of Terminations	% of Total
Deceased	2	2.94%
Dismissal	1	1.47%
End of Contract	19	27.94%
Resignation	38	55.88%
Retirement	5	7.35%
Retirement Early	1	1.47%
Retirement: Due to Ill Health	2	2.94%
Grand Total	68	100.00%

Table 4.4.3: Promotions by salary band for the period

Salary Band	Number of employees per and as of 1 Apr 2013	Promotion to another salary level [promotion by appointment]	Salary level promotion as a % of employees by occupation [salary band]	Progression to another notch within a salary level [notch progression]	Notch progression as a % of employees by salary band
Lower Skilled (Level A)	150	0	0%	34	22.67%
Skilled (Level B)	281	11	3.91%	81	28.83%
Highly Skilled Production (Level C)	729	12	1.92%	146	20.02%
Highly Skilled Supervision (Level D)	193	1	0.50%	30	15.54%
Senior Management (Level E)	11	0	0	3	27.27%
Top Management (Level F)	1	0	0	0	0%
Grand Total	1365	24		294	

4.5 Employment Equity

Table 4.5.1: Total number of employees (including employees with disabilities) in each of the following occupational bands as of 1 April 2013

Salary Band	Female				Male				Grand Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Lower Skilled (Level A)	23	68	0	13	5	37	0	4	150
Skilled (Level B)	89	49	3	5	47	66	5	17	281
Highly Skilled Production (Level C)	260	118	6	42	208	58	8	29	729
Highly Skilled Supervision (Level D)	36	24	8	16	70	14	10	15	193
Senior Management (Level E)	2	1	0	0	5	3	0	0	11
Top Management (Level F)	0	0	0	0	0	1	0	0	1
Grand Total	410	260	17	76	335	179	23	65	1365
Employees with Disability	0	1	0	1	2	3	1	0	8

Table 4.5.2: Recruitment for the period

Salary Band	Female				Male			Grand Total
	African	Coloured	Indian	White	African	Coloured	Indian	
Skilled (Level B)	8	1	0	0	17	0	0	26
Highly Skilled Production (Level C)	9	4	0	1	12	1	0	27
Highly Skilled Supervision (Level D)	5	2	2	1	6	0	1	17
Senior Management (Level E)	1	0	0	0	1	1	1	4
Top Management (Level F)	1	0	0	0	0	0	0	1
Grand Total	24	7	2	2	36	2	2	75
Employees with Disability	0	0	0	0	0	0	0	0

Table 4.5.3: Promotions for the period

Salary Band	Female			Male		Grand Total
	African	Coloured	White	African	Coloured	
Skilled (Level B)	6	2	0	1	2	11
Highly Skilled Production (Level C)	7	1	1	2	1	12
Highly Skilled Supervision (Level D)	0	0	0	1	0	1
Grand Total	13	3	1	4	3	24
Employees with Disability	0	0	0	0	0	0

Table 4.5.4: Terminations for the period

Salary Band	Female				Male				Grand Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Lower Skilled (Level A)	0	4	0	0	0	1	0	0	5
Skilled (Level B)	4	3	0	0	0	2	1	1	11
Highly Skilled Production (Level C)	18	2	0	2	12	2	0	1	37
Highly Skilled Supervision (Level D)	2	2	1	0	2	0	1	3	11
Senior Management (Level E)	0	0	0	0	1	3	0	0	4
Grand Total	24	11	1	2	15	8	2	5	68
Employees with Disability	0	0	0	0	0	0	0	0	0

4.6 Performance rewards

Table 4.6.1: Performance rewards by race, gender, and disability for the period

Gender and Race			Beneficiary Profile			Cost
Number of Beneficiaries		Total Employment	Number of Beneficiaries	% of Total Employment	Cost [Varied]	Avg Cost per Employee
African	Female	428	344	24.14%	R2 684 361.26	R7 803.38
	Male	364	250	17.54%	R2 464 171.27	R9 856.69
Coloured	Female	262	226	15.85%	R1 720 790.60	R7 614.12
	Male	178	160	11.22%	R1 146 985.19	R7 168.66
Indian	Female	18	14	0.98%	R206 447.81	R14 746.27
	Male	24	19	1.33%	R293 576.53	R15 451.40
White	Female	77	61	4.20%	R657 398.09	R10 777.02
	Male	66	58	4.07%	R604 586.03	R10 423.90
TOTAL		1417	1132	79.43%	R9 778 316.78	R83 841.42
Employees with Disability						
African	Male	3	3	0.21%	R20 340.87	R6 780.29
Coloured	Female	1	1	0.07%	R11 779.79	R11 779.79
	Male	2	2	0.14%	R24 042.94	R12 021.47
Indian	Male	1	1	0.07%	R24 875.74	R24 875.74
White	Female	1	1	0.07%	R6 918.82	R6 918.82
TOTAL		8	8	0.56%	R87 958.16	R10 994.77
Grand Total		1425	1140	80%	R9 866 274.94	R94 836.19

Table 4.6.2: Performance rewards by salary bands for personnel below senior management – level E for the period

Salary Band	Beneficiary Profile			Cost			
	Number of Employees	Number of Beneficiaries	% of Total Within Salary Band	Total Personnel Expenditure	Total Cost	Avg Cost per Employee	Total Cost as a % of the Total Personnel Expenditure
Lower Skilled (Level A)	147	34	23.12%	R 31 220 316	R 7 124 819.08	R 209 553.50	22.82%
Skilled (Level B)	294	81	27.55%	R 70 138 901	R 21 038 194.08	R 259 730.79	29.99%
Highly Skilled Production (Level C)	761	146	19.18%	R 314 805 902	R 65 907 928.17	R 451 424.17	20.93%
Highly Skilled Supervision (Level D)	206	30	14.56%	R 172 623 811	R 27 122 674.58	R 904 089.15	15.71%
Total	1408	291	20.66%	R 588 788 930	R 121 193 615.92		20.58%

Table 4.6.3: Performance rewards by salary band (performance bonus) for senior and top management for the period

Salary Bands	Beneficiary Profile			Cost			
	Number of Employees	Number of Beneficiaries	% of Total Within Salary Band	Total Personnel Expenditure	Total Cost	Avg Cost per Employee	Total Cost as a % of the Total Personnel Expenditure
Senior Management (Level E)	15	9	60.00%	R 16 474 085.00	R 256 539.99	R 28 504.44	1.55%
Top Management (Level F)	2	0	0%	R 3 449 735.00	R 0.00	R 0.00	0%
Grand Total	17	9	52.94%	R 19 923 820.00	R 256 539.99	R 28 504.44	1.28%

Table 4.6.3: Performance rewards by salary band (notch progression) for Senior and top management for the period

Salary Bands	Beneficiary Profile			Cost				
	Number of Employees	Number of Beneficiaries	% of Total Within Salary Band	Total Personnel Expenditure	Total Cost	Avg Cost per Employee	Total Cost as a % of the Total Personnel Expenditure	
Senior Management (Level E)	15	3	20.00%	R 16 474 085.00	R 4 044 937.00	R 1 348 312.33	24.55%	
Top Management (Level F)	2	0	0%	R 3 449 735.00	R 0.00	R 0.00	0%	
Total	17	3	17.64%	R 19 923 820.00	R 4 044 937.00		20.30%	

4.7 Leave Utilisation

Table 4.7.1: Sick leave for the period

Salary Band	Total Days Taken	% Days With Medical Certificate	Number of Employees Using Sick Leave	% of Employees Using Sick Leave	Average Days Per Employee	Total Package Value	Average Package	Average Daily Rate	Estimated Cost
Lower Skilled (Level A)	1708	24.82%	140	12.12%	12.2	R 161 413 848.00	R 1 152 956.06	R 4 417.46	R 53 892.97
Skilled (Level B)	2229	22.16%	234	20.25%	9.52	R 264 474 610.00	R 1 130 233.38	R 4 330.40	R 41 225.37
Highly Skilled Production (Level C)	5073	20.28%	629	54.45%	7.98	R 910 373 828.41	R 1 447 335.18	R 5 545.35	R 44 251.86
Highly Skilled Supervision (Level D)	905	18.89%	144	12.46%	6.28	R 357 030 272.10	R 2 479 376.89	R 9 499.53	R 59 657.04
Senior Management (Level E)	32	21.87%	7	0.60%	4.57	R 14 496 293.00	R 2 070 899.00	R 7 934.48	R 36 260.57
Top Management (Level F)	22	9.09%	1	0.08%	11	R 13 237 740.00	R 13 237 740.00	R 50 719.31	R 557 912.41
Grand Total	9969	21.33%	1155	100%	8.57	R 1 721 026 591.51	R 1 490 066.31	R 5 709.07	R 48 926.70

Table 4.7.2: Annual leave for the period

Salary Band	Number of Employees Who Applied For Annual Leave	Total Days Taken	Average per Employee
Lower Skilled (Level A)	151	1198	12.60%
Skilled (Level B)	285	2160	13.19%
Highly Skilled Production (Level C)	761	4920	15.46%
Highly Skilled Supervision (Level D)	201	1253	16.04%
Senior Management (Level E)	16	80	20.00%
Top Management (Level F)	2	11	18.18%
Grand Total	1416	9622	14.71

Table 4.7.3: Capped leave for the period

Salary Band	Number of Employees With Capped Leave	Total Days of Capped Leave as of 1 Jan	Number Of Days Taken	Total Days of Capped Leave as of 31 Dec	Average Number of Days Taken per Employee	Average Capped Leave Per Employee as of 31 Dec 2013
Lower Skilled (Level A)	122	1691	62	1629	0.50	13.34
Skilled (Level B)	119	1700	191	1509	1.60	12.68
Highly Skilled Production (Level C)	145	1906	87	1818	0.60	12.54
Highly Skilled Supervision (Level D)	30	311	31	280	1.00	9.3
Senior Management (Level E)	4	231	230	0	57.59	0
Grand Total	420	5838	602	5236	1.43	12.46

Table 4.7.4: Leave payouts for the period

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee
Capped leave payouts on termination of service	R 744 572	7	R 93 071
Current leave payouts on termination of service	R 1 195 486	46	R 22 990
Total	R 1 940 057	53	R 32 334

4.8 HIV and AIDS & Health Promotion Programmes

Table 4.8.1: Steps taken to reduce the risk of occupational exposure for the period

Categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
Sister in the clinic	Apply universal precautions eg. use of gloves, use of sharps containers, correct method of giving injections and finger pricks. If the unfortunate needle stick happens, the Post Exposure Prophylaxis treatment will be given to her
First-aiders	First-aiders have been nominated by line groups and have been sent for training which includes how to apply universal precautions

Table 4.8.2: Details of Health Promotion and HIV and AIDS Programmes for the period

Question	Yes	No	Details, if yes										
1. Has Parliament designated a member of SM to implement health promotion and HIV and AIDS programmes? If so, provide her/his name and position	X		Mr B Bashe Section Manager: Organisational Wellness										
2. Does Parliament have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose	X		Parliament has a dedicated Employee Wellness Unit for promoting health and wellbeing of employees. It consists of four internal staff members and an outsourced service within this unit. There is also a Peer Educators Committee that is instrumental in assisting in health promotion and awareness on issues of HIV/AIDS. The annual Budget is R2.5m										
3. Has Parliament introduced an employee assistance or health promotion programme for your employees? If so, indicate the key elements/services of this programme	X		Parliament has a wellness programme which focuses mainly on: <table border="0" style="width: 100%;"> <tr> <td>1. HIV/AIDS response strategy</td> <td>6. Counselling Services</td> </tr> <tr> <td>2. Policies and Procedures</td> <td>7. Case Management</td> </tr> <tr> <td>3. Awareness and Education</td> <td>8. Sports and Recreation</td> </tr> <tr> <td>4. Prevention Programmes</td> <td>9. HIV Counselling and Testing (HCT)</td> </tr> <tr> <td>5. Consultation and Advice</td> <td></td> </tr> </table>	1. HIV/AIDS response strategy	6. Counselling Services	2. Policies and Procedures	7. Case Management	3. Awareness and Education	8. Sports and Recreation	4. Prevention Programmes	9. HIV Counselling and Testing (HCT)	5. Consultation and Advice	
1. HIV/AIDS response strategy	6. Counselling Services												
2. Policies and Procedures	7. Case Management												
3. Awareness and Education	8. Sports and Recreation												
4. Prevention Programmes	9. HIV Counselling and Testing (HCT)												
5. Consultation and Advice													
4. Has Parliament established (a) committee(s) If so, please provide the names of the members of the committee and the stakeholder(s) that they represent	X		LIST OF MEMBERS FOR THE JOINT HIV AND AIDS COMMITTEE IN PARLIAMENT: Tshwete, Mrs P Goqwana, Mr MB Segale-Diswai, Ms MJ Motsepe, Ms RM Magagula, Mr VV Kopane, Mrs SP Kganara, Mr DA and Msweli, Ms HW										
5. Has Parliament reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed	X		HIV/AIDS Policy Parliament will endeavour by all means possible to ensure that no prejudice or victimisation takes place against any staff member on account of his/her HIV/AIDS status No applicant for employment will be discriminated against in the selection process on account of his/her HIV/AIDS status No staff member will be dismissed because he/she is identified as being HIV-positive No staff member will be removed from his/her normal place of work or his/her normal duties or isolated because he/she has been identified as HIV-positive										
6. Has Parliament introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures	X		HIV/AIDS policy, awareness campaigns External Service Provider for Comprehensive Counselling has been contracted to provide support services (Access Health) Maintenance of confidentiality Staff member is under no obligation to inform management of this/her HIV/AIDS status Normal disciplinary procedure will be enforced in case of leakage of confidential information										
7. Does Parliament encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have achieved	X		Parliament's HIV/AIDS strategy promotes participation on HCT programme. The HCT programme is done on the premises and it is provided by an external service provider. Employees are encouraged to use external facilities as well										
10. Has Parliament developed measures/ indicators to monitor and evaluate the impact of its health promotion programmes? If so, list these measures/indicators	X		Monthly and quarterly reports Attendance to workshops, HCT and psycho-social counselling sessions										



PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

PO Box 15 Cape Town 8000 Republic of South Africa

Tel:27 (21) 403 2911

www.parliament.gov.za

